

House File 653 - Reprinted

HOUSE FILE 653

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HSB 206)

(As Amended and Passed by the House April 19, 2017)

A BILL FOR

- 1 An Act relating to appropriations for health and human
- 2 services and veterans and including other related provisions
- 3 and appropriations, providing penalties, and including
- 4 effective date and retroactive and other applicability date
- 5 provisions.
- 6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

DEPARTMENT ON AGING — FY 2017-2018

Section 1. DEPARTMENT ON AGING. There is appropriated from the general fund of the state to the department on aging for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For aging programs for the department on aging and area agencies on aging to provide citizens of Iowa who are 60 years of age and older with case management for frail elders, Iowa's aging and disabilities resource center, and other services which may include but are not limited to adult day services, respite care, chore services, information and assistance, and material aid, for information and options counseling for persons with disabilities who are 18 years of age or older, and for salaries, support, administration, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$ 11,042,476
.....	FTEs 27.00

1. Funds appropriated in this section may be used to supplement federal funds under federal regulations. To receive funds appropriated in this section, a local area agency on aging shall match the funds with moneys from other sources according to rules adopted by the department. Funds appropriated in this section may be used for elderly services not specifically enumerated in this section only if approved by an area agency on aging for provision of the service within the area.

2. Of the funds appropriated in this section, \$279,946 is transferred to the economic development authority for the Iowa commission on volunteer services to be used for the retired and senior volunteer program.

3. a. The department on aging shall establish and enforce procedures relating to expenditure of state and federal funds

1 by area agencies on aging that require compliance with both
2 state and federal laws, rules, and regulations, including but
3 not limited to all of the following:

4 (1) Requiring that expenditures are incurred only for goods
5 or services received or performed prior to the end of the
6 fiscal period designated for use of the funds.

7 (2) Prohibiting prepayment for goods or services not
8 received or performed prior to the end of the fiscal period
9 designated for use of the funds.

10 (3) Prohibiting the prepayment for goods or services
11 not defined specifically by good or service, time period, or
12 recipient.

13 (4) Prohibiting the establishment of accounts from which
14 future goods or services which are not defined specifically by
15 good or service, time period, or recipient, may be purchased.

16 b. The procedures shall provide that if any funds are
17 expended in a manner that is not in compliance with the
18 procedures and applicable federal and state laws, rules, and
19 regulations, and are subsequently subject to repayment, the
20 area agency on aging expending such funds in contravention of
21 such procedures, laws, rules and regulations, not the state,
22 shall be liable for such repayment.

23 4. Of the funds appropriated in this section, at least
24 \$250,000 shall be used to fund the unmet needs identified
25 through Iowa's aging and disability resource center network.

26 5. Of the funds appropriated in this section, at least
27 \$600,000 shall be used to fund home and community-based
28 services through the area agencies on aging that enable older
29 individuals to avoid more costly utilization of residential or
30 institutional services and remain in their own homes.

31 6. Of the funds appropriated in this section, \$812,537
32 shall be used for the purposes of [chapter 231E](#) and section
33 231.56A, of which \$350,000 shall be used for the office of
34 substitute decision maker pursuant to [chapter 231E](#), and the
35 remainder shall be distributed equally to the area agencies on

1 aging to administer the prevention of elder abuse, neglect, and
2 exploitation program pursuant to [section 231.56A](#), in accordance
3 with the requirements of the federal Older Americans Act of
4 1965, 42 U.S.C. §3001 et seq., as amended.

5 7. Of the funds appropriated in this section, \$750,000
6 shall be used to fund continuation of the aging and disability
7 resource center lifelong links to provide individuals and
8 caregivers with information and services to plan for and
9 maintain independence.

10 8. Notwithstanding section 8.39, for the fiscal year
11 beginning July 1, 2017, the department may transfer funds
12 within or between the allocations made in this division of this
13 Act for the same fiscal year in accordance with departmental
14 priorities. The department shall report any such transfers
15 to the individuals specified in this Act for submission of
16 reports. This subsection shall not be construed to prohibit
17 the use of existing state transfer authority for other
18 purposes.

19 DIVISION II

20 OFFICE OF LONG-TERM CARE OMBUDSMAN — FY 2017-2018

21 Sec. 2. OFFICE OF LONG-TERM CARE OMBUDSMAN. There is
22 appropriated from the general fund of the state to the office
23 of long-term care ombudsman for the fiscal year beginning July
24 1, 2017, and ending June 30, 2018, the following amount, or
25 so much thereof as is necessary, to be used for the purposes
26 designated:

27 For salaries, support, administration, maintenance, and
28 miscellaneous purposes, and for not more than the following
29 full-time equivalent positions:

30	\$	1,160,281
31	FTEs	16.00

32 DIVISION III

33 DEPARTMENT OF PUBLIC HEALTH — FY 2017-2018

34 Sec. 3. DEPARTMENT OF PUBLIC HEALTH. There is appropriated
35 from the general fund of the state to the department of public

1 health for the fiscal year beginning July 1, 2017, and ending
 2 June 30, 2018, the following amounts, or so much thereof as is
 3 necessary, to be used for the purposes designated:

4 1. ADDICTIVE DISORDERS

5 For reducing the prevalence of the use of tobacco, alcohol,
 6 and other drugs, and treating individuals affected by addictive
 7 behaviors, including gambling, and for not more than the
 8 following full-time equivalent positions:

9	\$ 24,985,831
10	FTEs 10.00

11 a. (1) Of the funds appropriated in this subsection,
 12 \$4,021,225 shall be used for the tobacco use prevention
 13 and control initiative, including efforts at the state and
 14 local levels, as provided in [chapter 142A](#). The commission
 15 on tobacco use prevention and control established pursuant
 16 to [section 142A.3](#) shall advise the director of public health
 17 in prioritizing funding needs and the allocation of moneys
 18 appropriated for the programs and initiatives. Activities
 19 of the programs and initiatives shall be in alignment with
 20 the United States centers for disease control and prevention
 21 best practices for comprehensive tobacco control programs that
 22 include the goals of preventing youth initiation of tobacco
 23 usage, reducing exposure to secondhand smoke, and promotion
 24 of tobacco cessation. To maximize resources, the department
 25 shall determine if third-party sources are available to
 26 instead provide nicotine replacement products to an applicant
 27 prior to provision of such products to an applicant under
 28 the initiative. The department shall track and report to
 29 the individuals specified in this Act, any reduction in
 30 the provision of nicotine replacement products realized by
 31 the initiative through implementation of the prerequisite
 32 screening.

33 (2) (a) The department shall collaborate with the
 34 alcoholic beverages division of the department of commerce for
 35 enforcement of tobacco laws, regulations, and ordinances and to

1 engage in tobacco control activities approved by the division
2 of tobacco use prevention and control of the department of
3 public health as specified in the memorandum of understanding
4 entered into between the divisions.

5 (b) For the fiscal year beginning July 1, 2017, and ending
6 June 30, 2018, the terms of the memorandum of understanding,
7 entered into between the division of tobacco use prevention
8 and control of the department of public health and the
9 alcoholic beverages division of the department of commerce,
10 governing compliance checks conducted to ensure licensed retail
11 tobacco outlet conformity with tobacco laws, regulations, and
12 ordinances relating to persons under 18 years of age, shall
13 continue to restrict the number of such checks to one check per
14 retail outlet, and one additional check for any retail outlet
15 found to be in violation during the first check.

16 b. Of the funds appropriated in this subsection,
17 \$20,964,606 shall be used for problem gambling and
18 substance-related disorder prevention, treatment, and recovery
19 services, including a 24-hour helpline, public information
20 resources, professional training, youth prevention, and program
21 evaluation.

22 c. The requirement of section 123.17, subsection 5, is met
23 by the appropriations and allocations made in this division of
24 this Act for purposes of substance-related disorder treatment
25 and addictive disorders for the fiscal year beginning July 1,
26 2017.

27 2. HEALTHY CHILDREN AND FAMILIES

28 For promoting the optimum health status for children,
29 adolescents from birth through 21 years of age, and families,
30 and for not more than the following full-time equivalent
31 positions:

32	\$	5,325,632
33	FTEs	12.00

34 a. Of the funds appropriated in this subsection, not more
35 than \$734,841 shall be used for the healthy opportunities for

1 parents to experience success (HOPES)-healthy families Iowa
2 (HFI) program established pursuant to [section 135.106](#). The
3 funding shall be distributed to renew the grants that were
4 provided to the grantees that operated the program during the
5 fiscal year ending June 30, 2017.

6 b. In order to implement the legislative intent stated in
7 sections [135.106](#) and [256I.9](#), that priority for home visitation
8 program funding be given to programs using evidence-based or
9 promising models for home visitation, it is the intent of the
10 general assembly to phase in the funding priority in accordance
11 with [2012 Iowa Acts, chapter 1133, section 2, subsection 2](#),
12 paragraph "0b".

13 c. Of the funds appropriated in this subsection, \$3,075,101
14 shall be used for continuation of the department's initiative
15 to provide for adequate developmental surveillance and
16 screening during a child's first five years. The funds shall
17 be used first to fully fund the current sites to ensure that
18 the sites are fully operational, with the remaining funds
19 to be used for expansion to additional sites. The full
20 implementation and expansion shall include enhancing the scope
21 of the initiative through collaboration with the child health
22 specialty clinics to promote healthy child development through
23 early identification and response to both biomedical and social
24 determinants of healthy development; by monitoring child
25 health metrics to inform practice, document long-term health
26 impacts and savings, and provide for continuous improvement
27 through training, education, and evaluation; and by providing
28 for practitioner consultation particularly for children with
29 behavioral conditions and needs. The department of public
30 health shall also collaborate with the Iowa Medicaid enterprise
31 and the child health specialty clinics to integrate the
32 activities of the first five initiative into the establishment
33 of patient-centered medical homes, community utilities,
34 accountable care organizations, and other integrated care
35 models developed to improve health quality and population

1 health while reducing health care costs. To the maximum extent
2 possible, funding allocated in this paragraph shall be utilized
3 as matching funds for medical assistance program reimbursement.

4 d. Of the funds appropriated in this subsection, \$64,640
5 shall be distributed to a statewide dental carrier to provide
6 funds to continue the donated dental services program patterned
7 after the projects developed by the lifeline network to provide
8 dental services to indigent individuals who are elderly or with
9 disabilities.

10 e. Of the funds appropriated in this subsection, \$156,482
11 shall be used to provide audiological services and hearing
12 aids for children. The department may enter into a contract
13 to administer this paragraph.

14 f. Of the funds appropriated in this subsection, \$23,000 is
15 transferred to the university of Iowa college of dentistry for
16 provision of primary dental services to children. State funds
17 shall be matched on a dollar-for-dollar basis. The university
18 of Iowa college of dentistry shall coordinate efforts with the
19 department of public health, bureau of oral and health delivery
20 systems, to provide dental care to underserved populations
21 throughout the state.

22 g. Of the funds appropriated in this subsection, \$50,000
23 shall be used to address youth suicide prevention.

24 h. Of the funds appropriated in this subsection, \$40,511
25 shall be used to support the Iowa effort to address the survey
26 of children who experience adverse childhood experiences known
27 as ACEs.

28 i. The department of public health shall continue to
29 administer the program to assist parents in this state with
30 costs resulting from the death of a child in accordance with
31 the provisions of 2014 Iowa Acts, chapter 1140, section 22,
32 subsection 12.

33 3. CHRONIC CONDITIONS

34 For serving individuals identified as having chronic
35 conditions or special health care needs, and for not more than

1 the following full-time equivalent positions:

2 \$ 4,170,750

3 FTEs 5.00

4 a. Of the funds appropriated in this subsection, \$153,755
5 shall be used for grants to individual patients who have an
6 inherited metabolic disorder to assist with the costs of
7 medically necessary foods and formula.

8 b. Of the funds appropriated in this subsection, \$1,020,794
9 shall be used for the brain injury services program pursuant
10 to section 135.22B, including for contracting with an existing
11 nationally affiliated and statewide organization whose purpose
12 is to educate, serve, and support Iowans with brain injury and
13 their families for resource facilitator services in accordance
14 with section 135.22B, subsection 9, and for contracting to
15 enhance brain injury training and recruitment of service
16 providers on a statewide basis. Of the amount allocated in
17 this paragraph, \$95,000 shall be used to fund one full-time
18 equivalent position to serve as the state brain injury services
19 program manager.

20 c. Of the funds appropriated in this subsection, \$144,097
21 shall be used for the public purpose of continuing to contract
22 with an existing national-affiliated organization to provide
23 education, client-centered programs, and client and family
24 support for people living with epilepsy and their families.
25 The amount allocated in this paragraph in excess of \$100,000
26 shall be matched dollar-for-dollar by the organization
27 specified.

28 d. Of the funds appropriated in this subsection, \$809,550
29 shall be used for child health specialty clinics.

30 e. Of the funds appropriated in this subsection, \$384,552
31 shall be used by the regional autism assistance program
32 established pursuant to [section 256.35](#), and administered by
33 the child health specialty clinic located at the university of
34 Iowa hospitals and clinics. The funds shall be used to enhance
35 interagency collaboration and coordination of educational,

1 medical, and other human services for persons with autism,
2 their families, and providers of services, including delivering
3 regionalized services of care coordination, family navigation,
4 and integration of services through the statewide system of
5 regional child health specialty clinics and fulfilling other
6 requirements as specified in [chapter 225D](#). The university of
7 Iowa shall not receive funds allocated under this paragraph for
8 indirect costs associated with the regional autism assistance
9 program.

10 f. Of the funds appropriated in this subsection, \$577,375
11 shall be used for the comprehensive cancer control program to
12 reduce the burden of cancer in Iowa through prevention, early
13 detection, effective treatment, and ensuring quality of life.
14 Of the funds allocated in this paragraph "f", \$150,000 shall
15 be used to support a melanoma research symposium, a melanoma
16 biorepository and registry, basic and translational melanoma
17 research, and clinical trials.

18 g. Of the funds appropriated in this subsection, \$97,532
19 shall be used for cervical and colon cancer screening, and
20 \$177,720 shall be used to enhance the capacity of the cervical
21 cancer screening program to include provision of recommended
22 prevention and early detection measures to a broader range of
23 low-income women.

24 h. Of the funds appropriated in this subsection, \$506,355
25 shall be used for the center for congenital and inherited
26 disorders.

27 i. Of the funds appropriated in this subsection,
28 \$215,263 shall be used by the department of public health
29 for reform-related activities, including but not limited to
30 facilitation of communication to stakeholders at the state and
31 local level, administering the patient-centered health advisory
32 council pursuant to [section 135.159](#), and involvement in health
33 care system innovation activities occurring across the state.

34 j. Of the funds appropriated in this subsection, \$22,100
35 shall be used for administration of [chapter 124D](#), the medical

1 cannabidiol Act.

2 4. COMMUNITY CAPACITY

3 For strengthening the health care delivery system at the
4 local level, and for not more than the following full-time
5 equivalent positions:

6	\$ 2,907,776
7	FTEs 13.00

8 a. Of the funds appropriated in this subsection, \$95,575
9 is allocated for continuation of the child vision screening
10 program implemented through the university of Iowa hospitals
11 and clinics in collaboration with early childhood Iowa areas.
12 The program shall submit a report to the individuals identified
13 in this Act for submission of reports regarding the use of
14 funds allocated under this paragraph "a". The report shall
15 include the objectives and results for the program year
16 including the target population and how the funds allocated
17 assisted the program in meeting the objectives; the number,
18 age, and location within the state of individuals served;
19 the type of services provided to the individuals served; the
20 distribution of funds based on service provided; and the
21 continuing needs of the program.

22 b. Of the funds appropriated in this subsection, \$105,656 is
23 allocated for continuation of an initiative implemented at the
24 university of Iowa to expand and improve the workforce engaged
25 in mental health treatment and services. The initiative shall
26 receive input from the university of Iowa, the department of
27 human services, the department of public health, and the mental
28 health and disability services commission to address the focus
29 of the initiative.

30 c. Of the funds appropriated in this section, \$83,315 shall
31 be deposited in the governmental public health system fund
32 created in [section 135A.8](#) to be used for the purposes of the
33 fund.

34 d. Of the funds appropriated in this subsection,
35 \$48,069 shall be used for a grant to a statewide association

1 of psychologists that is affiliated with the American
2 psychological association to be used for continuation of a
3 program to rotate intern psychologists in placements in urban
4 and rural mental health professional shortage areas, as defined
5 in [section 135.180](#).

6 e. Of the funds appropriated in this subsection, the
7 following amounts are allocated to be used as follows to
8 support the Iowa collaborative safety net provider network
9 goals of increased access, health system integration, and
10 engagement:

11 (1) Not less than \$521,863 is allocated to the Iowa
12 prescription drug corporation for continuation of the
13 pharmaceutical infrastructure for safety net providers as
14 described in [2007 Iowa Acts, chapter 218, section 108](#), and for
15 the prescription drug donation repository program created in
16 chapter 135M.

17 (2) Not less than \$334,870 is allocated to free clinics and
18 free clinics of Iowa for necessary infrastructure, statewide
19 coordination, provider recruitment, service delivery, and
20 provision of assistance to patients in securing a medical home
21 inclusive of oral health care.

22 (3) Not less than \$25,000 is allocated to the Iowa
23 association of rural health clinics for necessary
24 infrastructure and service delivery transformation.

25 (4) Not less than \$100,000 is allocated to the Polk county
26 medical society for continuation of the safety net provider
27 patient access to a specialty health care initiative as
28 described in [2007 Iowa Acts, chapter 218, section 109](#).

29 f. Of the funds appropriated in this subsection,
30 \$76,231 shall be used by the department in implementing
31 the recommendations in the final report submitted by the
32 direct care worker advisory council to the governor and the
33 general assembly in March 2012, including by continuing to
34 develop, promote, and make available on a statewide basis the
35 prepare-to-care core curriculum and its associated modules

1 and specialties through various formats including online
 2 access, community colleges, and other venues; exploring new and
 3 maintaining existing specialties including but not limited to
 4 oral health and dementia care; supporting instructor training;
 5 and assessing and making recommendations concerning the Iowa
 6 care book and information technology systems and infrastructure
 7 uses and needs.

8 g. Of the funds appropriated in this subsection, \$191,188
 9 shall be allocated for continuation of the contract with
 10 an independent statewide direct care worker organization
 11 previously selected through a request for proposals process.
 12 The contract shall continue to include performance and outcomes
 13 measures, and shall continue to allow the contractor to use a
 14 portion of the funds received under the contract to collect
 15 data to determine results based on the performance and outcomes
 16 measures.

17 h. Of the funds appropriated in this subsection, the
 18 department may use up to \$58,175 for up to one full-time
 19 equivalent position to administer the volunteer health care
 20 provider program pursuant to [section 135.24](#).

21 i. Of the funds appropriated in this subsection, \$96,138
 22 shall be used for a matching dental education loan repayment
 23 program to be allocated to a dental nonprofit health service
 24 corporation to continue to develop the criteria and implement
 25 the loan repayment program.

26 j. Of the funds appropriated in this subsection, \$52,911 is
 27 transferred to the college student aid commission for deposit
 28 in the rural Iowa primary care trust fund created in section
 29 261.113 to be used for the purposes of the fund.

30 k. Of the funds appropriated in this subsection, \$150,000
 31 shall be used for the purposes of the Iowa donor registry as
 32 specified in [section 142C.18](#).

33 l. Of the funds appropriated in this subsection, \$96,138
 34 shall be used for continuation of a grant to a nationally
 35 affiliated volunteer eye organization that has an established

1 program for children and adults and that is solely dedicated to
 2 preserving sight and preventing blindness through education,
 3 nationally certified vision screening and training, and
 4 community and patient service programs. The organization
 5 shall submit a report to the individuals identified in this
 6 Act for submission of reports regarding the use of funds
 7 allocated under this paragraph "1". The report shall include
 8 the objectives and results for the program year including
 9 the target population and how the funds allocated assisted
 10 the program in meeting the objectives; the number, age, and
 11 location within the state of individuals served; the type of
 12 services provided to the individuals served; the distribution
 13 of funds based on services provided; and the continuing needs
 14 of the program.

15 5. ESSENTIAL PUBLIC HEALTH SERVICES

16 To provide public health services that reduce risks and
 17 invest in promoting and protecting good health over the
 18 course of a lifetime with a priority given to older Iowans and
 19 vulnerable populations:

20 \$ 8,197,878

21 6. INFECTIOUS DISEASES

22 For reducing the incidence and prevalence of communicable
 23 diseases, and for not more than the following full-time
 24 equivalent positions:

25 \$ 1,646,426

26 FTEs 4.00

27 7. PUBLIC PROTECTION

28 For protecting the health and safety of the public through
 29 establishing standards and enforcing regulations, and for not
 30 more than the following full-time equivalent positions:

31 \$ 4,195,139

32 FTEs 138.00

33 a. Of the funds appropriated in this subsection, not more
 34 than \$304,700 shall be credited to the emergency medical
 35 services fund created in [section 135.25](#). Moneys in the

1 emergency medical services fund are appropriated to the
2 department to be used for the purposes of the fund.

3 b. Of the funds appropriated in this subsection, up
4 to \$243,260 shall be used for sexual violence prevention
5 programming through a statewide organization representing
6 programs serving victims of sexual violence through the
7 department's sexual violence prevention program, and for
8 continuation of a training program for sexual assault
9 response team (SART) members, including representatives of
10 law enforcement, victim advocates, prosecutors, and certified
11 medical personnel. The amount allocated in this paragraph "b"
12 shall not be used to supplant funding administered for other
13 sexual violence prevention or victims assistance programs.

14 c. Of the funds appropriated in this subsection, up to
15 \$575,627 shall be used for the state poison control center.
16 Pursuant to the directive under 2014 Iowa Acts, chapter
17 1140, section 102, the federal matching funds available to
18 the state poison control center from the department of human
19 services under the federal Children's Health Insurance Program
20 Reauthorization Act allotment shall be subject to the federal
21 administrative cap rule of 10 percent applicable to funding
22 provided under Tit. XXI of the federal Social Security Act and
23 included within the department's calculations of the cap.

24 d. Of the funds appropriated in this subsection, up to
25 \$516,982 shall be used for childhood lead poisoning provisions.

26 8. RESOURCE MANAGEMENT

27 For establishing and sustaining the overall ability of the
28 department to deliver services to the public, and for not more
29 than the following full-time equivalent positions:

30	\$	971,215
31	FTEs	4.00

32 9. MISCELLANEOUS PROVISIONS

33 The university of Iowa hospitals and clinics under the
34 control of the state board of regents shall not receive
35 indirect costs from the funds appropriated in this section.

1 The university of Iowa hospitals and clinics billings to the
2 department shall be on at least a quarterly basis.

3 10. GENERAL REDUCTION

4 For the period beginning July 1, 2017, and ending June 30,
5 2018, the department of public health, in consultation with
6 the department of management, shall identify and implement a
7 reduction in expenditures made from appropriations from the
8 general fund to the department of public health in the amount
9 of \$1,281,367.

10 11. TRANSFERS

11 Notwithstanding section 8.39, for the fiscal year beginning
12 July 1, 2017, the department may transfer funds within or
13 between any of the allocations or appropriations made in this
14 division of this Act for the same fiscal year, to be used in
15 accordance with departmental priorities as specified in the
16 department's report to the general assembly submitted pursuant
17 to 2016 Iowa Acts, chapter 1139, section 3. The department
18 shall report any such transfers to the individuals specified
19 in this Act for submission of reports. This subsection shall
20 not be construed to prohibit the use of existing state transfer
21 authority for other purposes.

22 DIVISION IV

23 DEPARTMENT OF VETERANS AFFAIRS — FY 2017-2018

24 Sec. 4. DEPARTMENT OF VETERANS AFFAIRS. There is
25 appropriated from the general fund of the state to the
26 department of veterans affairs for the fiscal year beginning
27 July 1, 2017, and ending June 30, 2018, the following amounts,
28 or so much thereof as is necessary, to be used for the purposes
29 designated:

30 1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

31 For salaries, support, maintenance, and miscellaneous
32 purposes, and for not more than the following full-time
33 equivalent positions:

34	\$	1,142,557
35	FTEs	15.00

1 2. IOWA VETERANS HOME

2 For salaries, support, maintenance, and miscellaneous
3 purposes:

4 \$ 7,228,140

5 a. The Iowa veterans home billings involving the department
6 of human services shall be submitted to the department on at
7 least a monthly basis.

8 b. Within available resources and in conformance with
9 associated state and federal program eligibility requirements,
10 the Iowa veterans home may implement measures to provide
11 financial assistance to or on behalf of veterans or their
12 spouses who are participating in the community reentry program.

13 c. The Iowa veterans home expenditure report shall be
14 submitted monthly to the legislative services agency.

15 d. The Iowa veterans home shall continue to include in the
16 annual discharge report applicant information to provide for
17 the collection of demographic information including but not
18 limited to the number of individuals applying for admission and
19 admitted or denied admittance and the basis for the admission
20 or denial; the age, gender, and race of such individuals;
21 and the level of care for which such individuals applied for
22 admission including residential or nursing level of care.

23 3. HOME OWNERSHIP ASSISTANCE PROGRAM

24 For transfer to the Iowa finance authority for the
25 continuation of the home ownership assistance program for
26 persons who are or were eligible members of the armed forces of
27 the United States, pursuant to [section 16.54](#):

28 \$ 2,000,000

29 Sec. 5. LIMITATION OF COUNTY COMMISSIONS OF VETERAN AFFAIRS
30 FUND STANDING APPROPRIATIONS. Notwithstanding the standing
31 appropriation in [section 35A.16](#) for the fiscal year beginning
32 July 1, 2017, and ending June 30, 2018, the amount appropriated
33 from the general fund of the state pursuant to that section
34 for the following designated purposes shall not exceed the
35 following amount:

1 For the county commissions of veteran affairs fund under
2 section 35A.16:

3 \$ 947,925

4 DIVISION V

5 DEPARTMENT OF HUMAN SERVICES — FY 2017-2018

6 Sec. 6. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK

7 GRANT. There is appropriated from the fund created in section
8 8.41 to the department of human services for the fiscal year
9 beginning July 1, 2017, and ending June 30, 2018, from moneys
10 received under the federal temporary assistance for needy
11 families (TANF) block grant pursuant to the federal Personal
12 Responsibility and Work Opportunity Reconciliation Act of 1996,
13 Pub. L. No. 104-193, and successor legislation, the following
14 amounts, or so much thereof as is necessary, to be used for the
15 purposes designated:

16 1. To be credited to the family investment program account
17 and used for assistance under the family investment program
18 under [chapter 239B](#):

19 \$ 5,112,462

20 2. To be credited to the family investment program account
21 and used for the job opportunities and basic skills (JOBS)
22 program and implementing family investment agreements in
23 accordance with [chapter 239B](#):

24 \$ 5,575,693

25 3. To be used for the family development and
26 self-sufficiency grant program in accordance with section
27 216A.107:

28 \$ 2,898,980

29 Notwithstanding [section 8.33](#), moneys appropriated in this
30 subsection that remain unencumbered or unobligated at the close
31 of the fiscal year shall not revert but shall remain available
32 for expenditure for the purposes designated until the close of
33 the succeeding fiscal year. However, unless such moneys are
34 encumbered or obligated on or before September 30, 2018, the
35 moneys shall revert.

1 4. For field operations:
2 \$ 31,296,232
3 5. For general administration:
4 \$ 3,744,000
5 6. For state child care assistance:
6 \$ 47,866,826
7 a. Of the funds appropriated in this subsection,
8 \$26,328,097 is transferred to the child care and development
9 block grant appropriation made by the Eighty-seventh General
10 Assembly, 2017 session, for the federal fiscal year beginning
11 October 1, 2017, and ending September 30, 2018. Of this
12 amount, \$200,000 shall be used for provision of educational
13 opportunities to registered child care home providers in order
14 to improve services and programs offered by this category
15 of providers and to increase the number of providers. The
16 department may contract with institutions of higher education
17 or child care resource and referral centers to provide
18 the educational opportunities. Allowable administrative
19 costs under the contracts shall not exceed 5 percent. The
20 application for a grant shall not exceed two pages in length.
21 b. Any funds appropriated in this subsection remaining
22 unallocated shall be used for state child care assistance
23 payments for families who are employed including but not
24 limited to individuals enrolled in the family investment
25 program.
26 7. For child and family services:
27 \$ 32,380,654
28 8. For child abuse prevention grants:
29 \$ 125,000
30 9. For pregnancy prevention grants on the condition that
31 family planning services are funded:
32 \$ 1,930,067
33 Pregnancy prevention grants shall be awarded to programs
34 in existence on or before July 1, 2017, if the programs have
35 demonstrated positive outcomes. Grants shall be awarded to

1 pregnancy prevention programs which are developed after July
 2 1, 2017, if the programs are based on existing models that
 3 have demonstrated positive outcomes. Grants shall comply with
 4 the requirements provided in 1997 Iowa Acts, chapter 208,
 5 section 14, subsections 1 and 2, including the requirement that
 6 grant programs must emphasize sexual abstinence. Priority in
 7 the awarding of grants shall be given to programs that serve
 8 areas of the state which demonstrate the highest percentage of
 9 unplanned pregnancies of females of childbearing age within the
 10 geographic area to be served by the grant.

11 10. For technology needs and other resources necessary
 12 to meet federal welfare reform reporting, tracking, and case
 13 management requirements:

14 \$ 1,037,186

15 11. a. Notwithstanding any provision to the contrary,
 16 including but not limited to requirements in [section 8.41](#) or
 17 provisions in 2016 or 2017 Iowa Acts regarding the receipt and
 18 appropriation of federal block grants, federal funds from the
 19 temporary assistance for needy families block grant received by
 20 the state and not otherwise appropriated in this section and
 21 remaining available for the fiscal year beginning July 1, 2017,
 22 are appropriated to the department of human services to the
 23 extent as may be necessary to be used in the following priority
 24 order: the family investment program, for state child care
 25 assistance program payments for families who are employed, and
 26 for the family investment program share of costs to develop and
 27 maintain a new, integrated eligibility determination system.
 28 The federal funds appropriated in this paragraph "a" shall be
 29 expended only after all other funds appropriated in subsection
 30 1 for assistance under the family investment program, in
 31 subsection 6 for child care assistance, or in subsection 10
 32 for technology costs related to the family investment program,
 33 as applicable, have been expended. For the purposes of this
 34 subsection, the funds appropriated in subsection 6, paragraph
 35 "a", for transfer to the child care and development block grant

1 appropriation are considered fully expended when the full
2 amount has been transferred.

3 b. The department shall, on a quarterly basis, advise the
4 legislative services agency and department of management of
5 the amount of funds appropriated in this subsection that was
6 expended in the prior quarter.

7 12. Of the amounts appropriated in this section,
8 \$12,962,008 for the fiscal year beginning July 1, 2017, is
9 transferred to the appropriation of the federal social services
10 block grant made to the department of human services for that
11 fiscal year.

12 13. For continuation of the program providing categorical
13 eligibility for the food assistance program as specified
14 for the program in the section of this division of this Act
15 relating to the family investment program account:

16 \$ 25,000

17 14. The department may transfer funds allocated in this
18 section to the appropriations made in this division of this Act
19 for the same fiscal year for general administration and field
20 operations for resources necessary to implement and operate the
21 services referred to in this section and those funded in the
22 appropriation made in this division of this Act for the same
23 fiscal year for the family investment program from the general
24 fund of the state.

25 15. With the exception of moneys allocated under this
26 section for the family development and self-sufficiency grant
27 program, to the extent moneys allocated in this section are
28 deemed by the department not to be necessary to support the
29 purposes for which they are allocated, such moneys may be
30 credited to the family investment program account as specified
31 under subsection 1 of this section and used for the purposes of
32 assistance under the family investment program in accordance
33 with chapter 239B in the same fiscal year.

34 Sec. 7. FAMILY INVESTMENT PROGRAM ACCOUNT.

35 1. Moneys credited to the family investment program (FIP)

1 account for the fiscal year beginning July 1, 2017, and
 2 ending June 30, 2018, shall be used to provide assistance in
 3 accordance with chapter 239B.

4 2. The department may use a portion of the moneys credited
 5 to the FIP account under this section as necessary for
 6 salaries, support, maintenance, and miscellaneous purposes.

7 3. The department may transfer funds allocated in
 8 subsection 4 to the appropriations made in this division of
 9 this Act for the same fiscal year for general administration
 10 and field operations for resources necessary to implement and
 11 operate the family investment program services referred to in
 12 this section and those funded in the appropriation made in this
 13 division of this Act for the same fiscal year for the family
 14 investment program from the general fund of the state.

15 4. Moneys appropriated in this division of this Act and
 16 credited to the FIP account for the fiscal year beginning July
 17 1, 2017, and ending June 30, 2018, are allocated as follows:

18 a. To be retained by the department of human services to
 19 be used for coordinating with the department of human rights
 20 to more effectively serve participants in FIP and other shared
 21 clients and to meet federal reporting requirements under the
 22 federal temporary assistance for needy families block grant:
 23 \$ 20,000

24 b. To the department of human rights for staffing,
 25 administration, and implementation of the family development
 26 and self-sufficiency grant program in accordance with section
 27 216A.107:

28 \$ 6,192,834

29 (1) Of the funds allocated for the family development
 30 and self-sufficiency grant program in this paragraph "b",
 31 not more than 5 percent of the funds shall be used for the
 32 administration of the grant program.

33 (2) The department of human rights may continue to implement
 34 the family development and self-sufficiency grant program
 35 statewide during fiscal year 2017-2018.

1 (3) The department of human rights may engage in activities
2 to strengthen and improve family outcomes measures and
3 data collection systems under the family development and
4 self-sufficiency grant program.

5 c. For the diversion subaccount of the FIP account:
6 \$ 815,000

7 A portion of the moneys allocated for the subaccount may
8 be used for field operations, salaries, data management
9 system development, and implementation costs and support
10 deemed necessary by the director of human services in order to
11 administer the FIP diversion program. To the extent moneys
12 allocated in this paragraph "c" are deemed by the department
13 not to be necessary to support diversion activities, such
14 moneys may be used for other efforts intended to increase
15 engagement by family investment program participants in work,
16 education, or training activities, or for the purposes of
17 assistance under the family investment program in accordance
18 with chapter 239B.

19 d. For the food assistance employment and training program:
20 \$ 66,588

21 (1) The department shall apply the federal supplemental
22 nutrition assistance program (SNAP) employment and training
23 state plan in order to maximize to the fullest extent permitted
24 by federal law the use of the 50 percent federal reimbursement
25 provisions for the claiming of allowable federal reimbursement
26 funds from the United States department of agriculture
27 pursuant to the federal SNAP employment and training program
28 for providing education, employment, and training services
29 for eligible food assistance program participants, including
30 but not limited to related dependent care and transportation
31 expenses.

32 (2) The department shall continue the categorical federal
33 food assistance program eligibility at 160 percent of the
34 federal poverty level and continue to eliminate the asset test
35 from eligibility requirements, consistent with federal food

1 assistance program requirements. The department shall include
 2 as many food assistance households as is allowed by federal
 3 law. The eligibility provisions shall conform to all federal
 4 requirements including requirements addressing individuals who
 5 are incarcerated or otherwise ineligible.

6 e. For the JOBS program:

7 \$ 13,523,290

8 5. Of the child support collections assigned under FIP,
 9 an amount equal to the federal share of support collections
 10 shall be credited to the child support recovery appropriation
 11 made in this division of this Act. Of the remainder of the
 12 assigned child support collections received by the child
 13 support recovery unit, a portion shall be credited to the FIP
 14 account, a portion may be used to increase recoveries, and a
 15 portion may be used to sustain cash flow in the child support
 16 payments account. If as a consequence of the appropriations
 17 and allocations made in this section the resulting amounts
 18 are insufficient to sustain cash assistance payments and meet
 19 federal maintenance of effort requirements, the department
 20 shall seek supplemental funding. If child support collections
 21 assigned under FIP are greater than estimated or are otherwise
 22 determined not to be required for maintenance of effort, the
 23 state share of either amount may be transferred to or retained
 24 in the child support payments account.

25 6. The department may adopt emergency rules for the family
 26 investment, JOBS, food assistance, and medical assistance
 27 programs if necessary to comply with federal requirements.

28 Sec. 8. FAMILY INVESTMENT PROGRAM GENERAL FUND. There
 29 is appropriated from the general fund of the state to the
 30 department of human services for the fiscal year beginning July
 31 1, 2017, and ending June 30, 2018, the following amount, or
 32 so much thereof as is necessary, to be used for the purpose
 33 designated:

34 To be credited to the family investment program (FIP)
 35 account and used for family investment program assistance under

1 chapter 239B:

2 \$ 43,004,480

3 1. Of the funds appropriated in this section, \$7,947,597 is
4 allocated for the JOBS program.

5 2. Of the funds appropriated in this section, \$3,313,854 is
6 allocated for the family development and self-sufficiency grant
7 program.

8 3. Notwithstanding [section 8.39](#), for the fiscal year
9 beginning July 1, 2017, if necessary to meet federal
10 maintenance of effort requirements or to transfer federal
11 temporary assistance for needy families block grant funding
12 to be used for purposes of the federal social services block
13 grant or to meet cash flow needs resulting from delays in
14 receiving federal funding or to implement, in accordance with
15 this division of this Act, activities currently funded with
16 juvenile court services, county, or community moneys and state
17 moneys used in combination with such moneys; to comply with
18 federal requirements; or to maximize the use of federal funds,
19 the department of human services may transfer funds within or
20 between any of the appropriations made in this division of this
21 Act and appropriations in law for the federal social services
22 block grant to the department for the following purposes,
23 provided that the combined amount of state and federal
24 temporary assistance for needy families block grant funding
25 for each appropriation remains the same before and after the
26 transfer:

27 a. For the family investment program.

28 b. For child care assistance.

29 c. For child and family services.

30 d. For field operations.

31 e. For general administration.

32 This subsection shall not be construed to prohibit the use
33 of existing state transfer authority for other purposes. The
34 department shall report any transfers made pursuant to this
35 subsection to the legislative services agency.

1 4. Of the funds appropriated in this section, \$195,678 shall
 2 be used for continuation of a grant to an Iowa-based nonprofit
 3 organization with a history of providing tax preparation
 4 assistance to low-income Iowans in order to expand the usage of
 5 the earned income tax credit. The purpose of the grant is to
 6 supply this assistance to underserved areas of the state.

7 5. Of the funds appropriated in this section, \$60,000 shall
 8 be used for the continuation of an unfunded pilot project, as
 9 defined in 441 IAC 100.1, relating to parental obligations,
 10 in which the child support recovery unit participates, to
 11 support the efforts of a nonprofit organization committed
 12 to strengthening the community through youth development,
 13 healthy living, and social responsibility headquartered in
 14 a county with a population over 350,000 according to the
 15 latest certified federal census. The funds allocated in this
 16 subsection shall be used by the recipient organization to
 17 develop a larger community effort, through public and private
 18 partnerships, to support a broad-based multi-county fatherhood
 19 initiative that promotes payment of child support obligations,
 20 improved family relationships, and full-time employment.

21 6. The department may transfer funds appropriated in this
 22 section to the appropriations made in this division of this Act
 23 for general administration and field operations as necessary
 24 to administer this section and the overall family investment
 25 program.

26 Sec. 9. CHILD SUPPORT RECOVERY. There is appropriated
 27 from the general fund of the state to the department of human
 28 services for the fiscal year beginning July 1, 2017, and ending
 29 June 30, 2018, the following amount, or so much thereof as is
 30 necessary, to be used for the purposes designated:

31 For child support recovery, including salaries, support,
 32 maintenance, and miscellaneous purposes, and for not more than
 33 the following full-time equivalent positions:

34	\$ 12,586,635
35	FTEs 459.00

1 1. The department shall expend up to \$24,329, including
2 federal financial participation, for the fiscal year beginning
3 July 1, 2017, for a child support public awareness campaign.
4 The department and the office of the attorney general shall
5 cooperate in continuation of the campaign. The public
6 awareness campaign shall emphasize, through a variety of
7 media activities, the importance of maximum involvement of
8 both parents in the lives of their children as well as the
9 importance of payment of child support obligations.

10 2. Federal access and visitation grant moneys shall be
11 issued directly to private not-for-profit agencies that provide
12 services designed to increase compliance with the child access
13 provisions of court orders, including but not limited to
14 neutral visitation sites and mediation services.

15 3. The appropriation made to the department for child
16 support recovery may be used throughout the fiscal year in the
17 manner necessary for purposes of cash flow management, and for
18 cash flow management purposes the department may temporarily
19 draw more than the amount appropriated, provided the amount
20 appropriated is not exceeded at the close of the fiscal year.

21 4. With the exception of the funding amount specified, the
22 requirements established under 2001 Iowa Acts, chapter 191,
23 section 3, subsection 5, paragraph "c", subparagraph (3), shall
24 be applicable to parental obligation pilot projects for the
25 fiscal year beginning July 1, 2017, and ending June 30, 2018.
26 Notwithstanding 441 IAC 100.8, providing for termination of
27 rules relating to the pilot projects, the rules shall remain
28 in effect until June 30, 2018.

29 Sec. 10. HEALTH CARE TRUST FUND — MEDICAL ASSISTANCE —
30 FY 2017-2018. Any funds remaining in the health care trust
31 fund created in [section 453A.35A](#) for the fiscal year beginning
32 July 1, 2017, and ending June 30, 2018, are appropriated to
33 the department of human services to supplement the medical
34 assistance program appropriations made in this division of this
35 Act, for medical assistance reimbursement and associated costs,

1 including program administration and costs associated with
2 program implementation.

3 Sec. 11. MEDICAID FRAUD FUND — MEDICAL ASSISTANCE — FY
4 2017-2018. Any funds remaining in the Medicaid fraud fund
5 created in [section 249A.50](#) for the fiscal year beginning
6 July 1, 2017, and ending June 30, 2018, are appropriated to
7 the department of human services to supplement the medical
8 assistance appropriations made in this division of this Act,
9 for medical assistance reimbursement and associated costs,
10 including program administration and costs associated with
11 program implementation.

12 Sec. 12. MEDICAL ASSISTANCE. There is appropriated from the
13 general fund of the state to the department of human services
14 for the fiscal year beginning July 1, 2017, and ending June 30,
15 2018, the following amount, or so much thereof as is necessary,
16 to be used for the purpose designated:

17 For medical assistance program reimbursement and associated
18 costs as specifically provided in the reimbursement
19 methodologies in effect on June 30, 2017, except as otherwise
20 expressly authorized by law, consistent with options under
21 federal law and regulations, and contingent upon receipt of
22 approval from the office of the governor of reimbursement for
23 each abortion performed under the program:

24 \$ 1,284,405,740

25 1. Iowans support reducing the number of abortions
26 performed in our state. Funds appropriated under this section
27 shall not be used for abortions, unless otherwise authorized
28 under this section.

29 2. The provisions of this section relating to abortions
30 shall also apply to the Iowa health and wellness plan created
31 pursuant to [chapter 249N](#).

32 3. The department shall utilize not more than \$60,000 of
33 the funds appropriated in this section to continue the AIDS/HIV
34 health insurance premium payment program as established in 1992
35 Iowa Acts, Second Extraordinary Session, chapter 1001, section

1 409, subsection 6. Of the funds allocated in this subsection,
2 not more than \$5,000 may be expended for administrative
3 purposes.

4 4. Of the funds appropriated in this Act to the department
5 of public health for addictive disorders, \$950,000 for
6 the fiscal year beginning July 1, 2017, is transferred
7 to the department of human services for an integrated
8 substance-related disorder managed care system. The
9 departments of human services and public health shall
10 work together to maintain the level of mental health and
11 substance-related disorder treatment services provided by the
12 managed care contractors. Each department shall take the steps
13 necessary to continue the federal waivers as necessary to
14 maintain the level of services.

15 5. a. The department shall aggressively pursue options for
16 providing medical assistance or other assistance to individuals
17 with special needs who become ineligible to continue receiving
18 services under the early and periodic screening, diagnostic,
19 and treatment program under the medical assistance program
20 due to becoming 21 years of age who have been approved for
21 additional assistance through the department's exception to
22 policy provisions, but who have health care needs in excess
23 of the funding available through the exception to policy
24 provisions.

25 b. Of the funds appropriated in this section, \$100,000
26 shall be used for participation in one or more pilot projects
27 operated by a private provider to allow the individual or
28 individuals to receive service in the community in accordance
29 with principles established in *Olmstead v. L.C.*, 527 U.S. 581
30 (1999), for the purpose of providing medical assistance or
31 other assistance to individuals with special needs who become
32 ineligible to continue receiving services under the early and
33 periodic screening, diagnostic, and treatment program under
34 the medical assistance program due to becoming 21 years of
35 age who have been approved for additional assistance through

1 the department's exception to policy provisions, but who have
2 health care needs in excess of the funding available through
3 the exception to the policy provisions.

4 6. Of the funds appropriated in this section, up to
5 \$3,050,082 may be transferred to the field operations or
6 general administration appropriations in this division of this
7 Act for operational costs associated with Part D of the federal
8 Medicare Prescription Drug Improvement and Modernization Act
9 of 2003, Pub. L. No. 108-173.

10 7. Of the funds appropriated in this section, up to \$442,100
11 may be transferred to the appropriation in this division
12 of this Act for medical contracts to be used for clinical
13 assessment services and prior authorization of services.

14 8. A portion of the funds appropriated in this section
15 may be transferred to the appropriations in this division of
16 this Act for general administration, medical contracts, the
17 children's health insurance program, or field operations to be
18 used for the state match cost to comply with the payment error
19 rate measurement (PERM) program for both the medical assistance
20 and children's health insurance programs as developed by the
21 centers for Medicare and Medicaid services of the United States
22 department of health and human services to comply with the
23 federal Improper Payments Information Act of 2002, Pub. L. No.
24 107-300.

25 9. The department shall continue to implement the
26 recommendations of the assuring better child health and
27 development initiative II (ABCDII) clinical panel to the
28 Iowa early and periodic screening, diagnostic, and treatment
29 services healthy mental development collaborative board
30 regarding changes to billing procedures, codes, and eligible
31 service providers.

32 10. Of the funds appropriated in this section, a sufficient
33 amount is allocated to supplement the incomes of residents of
34 nursing facilities, intermediate care facilities for persons
35 with mental illness, and intermediate care facilities for

1 persons with an intellectual disability, with incomes of less
2 than \$50 in the amount necessary for the residents to receive a
3 personal needs allowance of \$50 per month pursuant to section
4 249A.30A.

5 11. a. Hospitals that meet the conditions specified
6 in subparagraphs (1) and (2) shall either certify public
7 expenditures or transfer to the medical assistance program
8 an amount equal to provide the nonfederal share for a
9 disproportionate share hospital payment in an amount up to the
10 hospital-specific limit as approved in the Medicaid state plan.
11 The hospitals that meet the conditions specified shall receive
12 and retain 100 percent of the total disproportionate share
13 hospital payment in an amount up to the hospital-specific limit
14 as approved in the Medicaid state plan.

15 (1) The hospital qualifies for disproportionate share and
16 graduate medical education payments.

17 (2) The hospital is an Iowa state-owned hospital with more
18 than 500 beds and eight or more distinct residency specialty
19 or subspecialty programs recognized by the American college of
20 graduate medical education.

21 b. Distribution of the disproportionate share payments
22 shall be made on a monthly basis. The total amount of
23 disproportionate share payments including graduate medical
24 education, enhanced disproportionate share, and Iowa
25 state-owned teaching hospital payments shall not exceed the
26 amount of the state's allotment under Pub. L. No. 102-234.
27 In addition, the total amount of all disproportionate
28 share payments shall not exceed the hospital-specific
29 disproportionate share limits under Pub. L. No. 103-66.

30 12. One hundred percent of the nonfederal share of payments
31 to area education agencies that are medical assistance
32 providers for medical assistance-covered services provided to
33 medical assistance-covered children, shall be made from the
34 appropriation made in this section.

35 13. A portion of the funds appropriated in this section

1 may be transferred to the appropriation in this division of
2 this Act for medical contracts to be used for administrative
3 activities associated with the money follows the person
4 demonstration project.

5 14. Of the funds appropriated in this section, \$349,011
6 shall be used for the administration of the health insurance
7 premium payment program, including salaries, support,
8 maintenance, and miscellaneous purposes.

9 15. a. The department shall implement all of the following
10 cost containment strategies:

11 (1) An adjustment to the reimbursement policy in order
12 to eliminate the primary care physician rate increase
13 originally authorized by the federal Health Care and Education
14 Reconciliation Act of 2010, section 1202, Pub. L. No. 111-152,
15 42 U.S.C. §1396a(a)(13)(C) that allows qualified primary care
16 physicians to receive the greater of the Medicare rate or
17 Medicaid rate for a specified set of codes.

18 (2) A strategy to ensure that total reimbursement for
19 Medicare Part A and Medicare Part B crossover claims is limited
20 to the Medicaid reimbursement rate.

21 (3) An adjustment to Medicaid reimbursement rates for
22 physician services by applying a site of service differential
23 to reflect the difference between the cost of physician
24 services when provided in a health facility setting and the
25 cost of physician services when provided in a physician's
26 office.

27 (4) An adjustment to the inpatient diagnostic related group
28 (DRG) cost threshold formula to be the greater of two times the
29 statewide average DRG payment for that case or the hospital's
30 individual DRG payment for that case plus \$75,000.

31 (5) An adjustment to the Medicaid anesthesia conversion
32 factor to be equal to the calendar year 2017 Medicare
33 anesthesia conversion factor as adjusted for the state, and
34 converted to a per minute amount. Each January 1, thereafter,
35 the department shall apply the applicable Medicare anesthesia

1 conversion factor adjusted for the state, and converted to a
2 per minute amount.

3 (6) An alignment of billing and reimbursement for
4 consultation services rendered in an office, other outpatient,
5 or inpatient setting with Medicare billing and reimbursement.

6 (7) Elimination of the three-month retroactive Medicaid
7 coverage benefit for Medicaid applicants effective October 1,
8 2017. The department shall seek a waiver from the centers for
9 Medicare and Medicaid services of the United States department
10 of health and human services to implement the strategy.

11 If federal approval is received, an applicant's Medicaid
12 coverage shall be effective on the first day of the month of
13 application, as allowed under the Medicaid state plan.

14 b. The department shall implement the cost containment
15 strategies specified in this subsection beginning July 1, 2017,
16 or as otherwise specified. If federal approval is required,
17 the strategy shall be implemented effective upon receipt of
18 federal approval.

19 c. The department may adopt emergency rules to implement
20 this subsection.

21 16. a. The department may increase the amounts allocated
22 for salaries, support, maintenance, and miscellaneous purposes
23 associated with the medical assistance program, as necessary,
24 to implement cost containment strategies. The department shall
25 report any such increase to the legislative services agency and
26 the department of management.

27 b. If the savings to the medical assistance program from
28 cost containment efforts exceed the cost for the fiscal
29 year beginning July 1, 2017, the department may transfer any
30 savings generated for the fiscal year due to medical assistance
31 program cost containment efforts to the appropriation
32 made in this division of this Act for medical contracts or
33 general administration to defray the increased contract costs
34 associated with implementing such efforts.

35 17. For the fiscal year beginning July 1, 2017, and ending

1 June 30, 2018, the replacement generation tax revenues required
2 to be deposited in the property tax relief fund pursuant to
3 section 437A.8, subsection 4, paragraph "d", and section
4 437A.15, subsection 3, paragraph "f", shall instead be credited
5 to and supplement the appropriation made in this section and
6 used for the allocations made in this section.

7 18. a. Of the funds appropriated in this section, up
8 to \$50,000 may be transferred by the department to the
9 appropriation made in this division of this Act to the
10 department for the same fiscal year for general administration
11 to be used for associated administrative expenses and for not
12 more than one full-time equivalent position, in addition to
13 those authorized for the same fiscal year, to be assigned to
14 implementing the children's mental health home project.

15 b. Of the funds appropriated in this section, up to \$400,000
16 may be transferred by the department to the appropriation made
17 to the department in this division of this Act for the same
18 fiscal year for Medicaid program-related general administration
19 planning and implementation activities. The funds may be used
20 for contracts or for personnel in addition to the amounts
21 appropriated for and the positions authorized for general
22 administration for the fiscal year.

23 c. Of the funds appropriated in this section, up to
24 \$3,000,000 may be transferred by the department to the
25 appropriations made in this division of this Act for the same
26 fiscal year for general administration or medical contracts
27 to be used to support the development and implementation of
28 standardized assessment tools for persons with mental illness,
29 an intellectual disability, a developmental disability, or a
30 brain injury.

31 19. Of the funds appropriated in this section, \$150,000
32 shall be used for lodging expenses associated with care
33 provided at the university of Iowa hospitals and clinics for
34 patients with cancer whose travel distance is 30 miles or more
35 and whose income is at or below 200 percent of the federal

1 poverty level as defined by the most recently revised poverty
2 income guidelines published by the United States department of
3 health and human services. The department of human services
4 shall establish the maximum number of overnight stays and the
5 maximum rate reimbursed for overnight lodging, which may be
6 based on the state employee rate established by the department
7 of administrative services. The funds allocated in this
8 subsection shall not be used as nonfederal share matching
9 funds.

10 20. Of the funds appropriated in this section, up to
11 \$3,383,880 shall be used for administration of the state family
12 planning services program as enacted in this 2017 Act, and
13 of this amount, the department may use up to \$200,000 for
14 administrative expenses.

15 21. The department shall report the implementation of
16 any cost containment strategies to the individuals specified
17 in this division of this Act for submission of reports upon
18 implementation.

19 22. The department shall report the implementation of any
20 process improvement changes and any related cost reductions
21 to the individuals specified in this division of this Act for
22 submission of reports upon implementation.

23 23. The Medicaid managed care organizations shall explore
24 options provided by national human services nonprofit
25 organizations that provide innovative services for persons with
26 behavioral health challenges to incorporate assertive community
27 treatment teams into the services provided to individuals with
28 severe and persistent mental illness in order to minimize or
29 prevent recurrent acute episodes and to enhance quality of life
30 and functioning.

31 24. The department of human services shall include in the
32 Medicaid managed care contracts beginning with the contract
33 period effective July 1, 2017, per member per month capitation
34 payments to managed care organizations that encourage the
35 utilization of home and community-based services as an

1 alternative to residential care for members.

2 25. The department of human services shall review the use
3 of step therapy protocols and the application of step therapy
4 override exceptions under the Medicaid program. In the review,
5 the department may consider the use of step therapy protocols
6 and the application of step therapy override exceptions as
7 provided in chapter 514F.7, if enacted by 2017 Iowa Acts, House
8 File 233, and the potential for improving the quality of life
9 of Medicaid members and increasing efficiencies in the Medicaid
10 program. The department shall report findings of the review
11 and recommendations to the individuals designated in this Act
12 for submission of reports by November 15, 2017.

13 Sec. 13. MEDICAL CONTRACTS. There is appropriated from the
14 general fund of the state to the department of human services
15 for the fiscal year beginning July 1, 2017, and ending June 30,
16 2018, the following amount, or so much thereof as is necessary,
17 to be used for the purpose designated:

18 For medical contracts:

19 \$ 17,626,464

20 1. The department of inspections and appeals shall
21 provide all state matching funds for survey and certification
22 activities performed by the department of inspections
23 and appeals. The department of human services is solely
24 responsible for distributing the federal matching funds for
25 such activities.

26 2. Of the funds appropriated in this section, \$50,000 shall
27 be used for continuation of home and community-based services
28 waiver quality assurance programs, including the review and
29 streamlining of processes and policies related to oversight and
30 quality management to meet state and federal requirements.

31 3. Of the amount appropriated in this section, up to
32 \$200,000 may be transferred to the appropriation for general
33 administration in this division of this Act to be used for
34 additional full-time equivalent positions in the development of
35 key health initiatives such as cost containment, development

1 and oversight of managed care programs, and development of
2 health strategies targeted toward improved quality and reduced
3 costs in the Medicaid program.

4 4. Of the funds appropriated in this section, \$1,000,000
5 shall be used for planning and development, in cooperation with
6 the department of public health, of a phased-in program to
7 provide a dental home for children.

8 5. Of the funds appropriated in this section, \$950,000
9 shall be credited to the autism support program fund created
10 in section 225D.2 to be used for the autism support program
11 created in [chapter 225D](#), with the exception of the following
12 amounts of this allocation which shall be used as follows:

13 a. Of the amount appropriated in this section, \$202,000
14 shall be used for the public purpose of providing a one-year
15 grant to Drake university to establish a master's program in
16 applied behavioral analysis, including the establishment of
17 remote learning sites and a remote system to maximize outreach
18 and enrollment in the program.

19 b. Of the funds allocated in this subsection, \$25,000
20 shall be used for the public purpose of continuation of a
21 grant to a child welfare services provider headquartered in a
22 county with a population between 205,000 and 215,000 in the
23 latest certified federal census that provides multiple services
24 including but not limited to a psychiatric medical institution
25 for children, shelter, residential treatment, after school
26 programs, school-based programming, and an Asperger's syndrome
27 program, to be used for support services for children with
28 autism spectrum disorder and their families.

29 c. Of the funds allocated in this subsection, \$25,000
30 shall be used for the public purpose of continuing a grant to
31 a hospital-based provider headquartered in a county with a
32 population between 90,000 and 95,000 in the latest certified
33 federal census that provides multiple services including
34 but not limited to diagnostic, therapeutic, and behavioral
35 services to individuals with autism spectrum disorder across

1 one's lifespan. The grant recipient shall utilize the funds
 2 to continue the pilot project to determine the necessary
 3 support services for children with autism spectrum disorder and
 4 their families to be included in the children's disabilities
 5 services system. The grant recipient shall submit findings and
 6 recommendations based upon the results of the pilot project
 7 to the individuals specified in this division of this Act for
 8 submission of reports by December 31, 2017.

9 Sec. 14. STATE SUPPLEMENTARY ASSISTANCE.

10 1. There is appropriated from the general fund of the
 11 state to the department of human services for the fiscal year
 12 beginning July 1, 2017, and ending June 30, 2018, the following
 13 amount, or so much thereof as is necessary, to be used for the
 14 purpose designated:

15 For the state supplementary assistance program:

16 \$ 10,372,658

17 2. The department shall increase the personal needs
 18 allowance for residents of residential care facilities by the
 19 same percentage and at the same time as federal supplemental
 20 security income and federal social security benefits are
 21 increased due to a recognized increase in the cost of living.
 22 The department may adopt emergency rules to implement this
 23 subsection.

24 3. If during the fiscal year beginning July 1, 2017,
 25 the department projects that state supplementary assistance
 26 expenditures for a calendar year will not meet the federal
 27 pass-through requirement specified in Tit. XVI of the federal
 28 Social Security Act, section 1618, as codified in 42 U.S.C.
 29 §1382g, the department may take actions including but not
 30 limited to increasing the personal needs allowance for
 31 residential care facility residents and making programmatic
 32 adjustments or upward adjustments of the residential care
 33 facility or in-home health-related care reimbursement rates
 34 prescribed in this division of this Act to ensure that federal
 35 requirements are met. In addition, the department may make

1 other programmatic and rate adjustments necessary to remain
 2 within the amount appropriated in this section while ensuring
 3 compliance with federal requirements. The department may adopt
 4 emergency rules to implement the provisions of this subsection.

5 Sec. 15. CHILDREN'S HEALTH INSURANCE PROGRAM.

6 1. There is appropriated from the general fund of the
 7 state to the department of human services for the fiscal year
 8 beginning July 1, 2017, and ending June 30, 2018, the following
 9 amount, or so much thereof as is necessary, to be used for the
 10 purpose designated:

11 For maintenance of the healthy and well kids in Iowa (hawk-i)
 12 program pursuant to [chapter 514I](#), including supplemental dental
 13 services, for receipt of federal financial participation under
 14 Tit. XXI of the federal Social Security Act, which creates the
 15 children's health insurance program:

16 \$ 8,518,452

17 2. Of the funds appropriated in this section, \$42,800 is
 18 allocated for continuation of the contract for outreach with
 19 the department of public health.

20 Sec. 16. CHILD CARE ASSISTANCE. There is appropriated
 21 from the general fund of the state to the department of human
 22 services for the fiscal year beginning July 1, 2017, and ending
 23 June 30, 2018, the following amount, or so much thereof as is
 24 necessary, to be used for the purpose designated:

25 For child care programs:

26 \$ 39,343,616

27 1. Of the funds appropriated in this section, \$33,493,616
 28 shall be used for state child care assistance in accordance
 29 with [section 237A.13](#).

30 2. Nothing in this section shall be construed or is
 31 intended as or shall imply a grant of entitlement for services
 32 to persons who are eligible for assistance due to an income
 33 level consistent with the waiting list requirements of section
 34 237A.13. Any state obligation to provide services pursuant to
 35 this section is limited to the extent of the funds appropriated

1 in this section.

2 3. A list of the registered and licensed child care
3 facilities operating in the area served by a child care
4 resource and referral service shall be made available to the
5 families receiving state child care assistance in that area.

6 4. Of the funds appropriated in this section, \$5,850,000
7 shall be credited to the early childhood programs grants
8 account in the early childhood Iowa fund created in section
9 256I.11. The moneys shall be distributed for funding of
10 community-based early childhood programs targeted to children
11 from birth through five years of age developed by early
12 childhood Iowa areas in accordance with approved community
13 plans as provided in [section 256I.8](#).

14 5. The department may use any of the funds appropriated
15 in this section as a match to obtain federal funds for use in
16 expanding child care assistance and related programs. For
17 the purpose of expenditures of state and federal child care
18 funding, funds shall be considered obligated at the time
19 expenditures are projected or are allocated to the department's
20 service areas. Projections shall be based on current and
21 projected caseload growth, current and projected provider
22 rates, staffing requirements for eligibility determination
23 and management of program requirements including data systems
24 management, staffing requirements for administration of the
25 program, contractual and grant obligations and any transfers
26 to other state agencies, and obligations for decategorization
27 or innovation projects.

28 6. A portion of the state match for the federal child care
29 and development block grant shall be provided as necessary to
30 meet federal matching funds requirements through the state
31 general fund appropriation made for child development grants
32 and other programs for at-risk children in [section 279.51](#).

33 7. If a uniform reduction ordered by the governor under
34 section 8.31 or other operation of law, transfer, or federal
35 funding reduction reduces the appropriation made in this

1 section for the fiscal year, the percentage reduction in the
 2 amount paid out to or on behalf of the families participating
 3 in the state child care assistance program shall be equal to or
 4 less than the percentage reduction made for any other purpose
 5 payable from the appropriation made in this section and the
 6 federal funding relating to it. The percentage reduction to
 7 the other allocations made in this section shall be the same as
 8 the uniform reduction ordered by the governor or the percentage
 9 change of the federal funding reduction, as applicable.

10 If there is an unanticipated increase in federal funding
 11 provided for state child care assistance, the entire amount
 12 of the increase shall be used for state child care assistance
 13 payments. If the appropriations made for purposes of the
 14 state child care assistance program for the fiscal year are
 15 determined to be insufficient, it is the intent of the general
 16 assembly to appropriate sufficient funding for the fiscal year
 17 in order to avoid establishment of waiting list requirements.

18 8. Notwithstanding [section 8.33](#), moneys advanced for
 19 purposes of the programs developed by early childhood Iowa
 20 areas, advanced for purposes of wraparound child care, or
 21 received from the federal appropriations made for the purposes
 22 of this section that remain unencumbered or unobligated at the
 23 close of the fiscal year shall not revert to any fund but shall
 24 remain available for expenditure for the purposes designated
 25 until the close of the succeeding fiscal year.

26 Sec. 17. JUVENILE INSTITUTION. There is appropriated
 27 from the general fund of the state to the department of human
 28 services for the fiscal year beginning July 1, 2017, and ending
 29 June 30, 2018, the following amounts, or so much thereof as is
 30 necessary, to be used for the purposes designated:

31 1. For operation of the state training school at Eldora and
 32 for salaries, support, maintenance, and miscellaneous purposes,
 33 and for not more than the following full-time equivalent
 34 positions:

35 \$ 11,350,443

1 FTEs 189.00

2 Of the funds appropriated in this subsection, \$91,150 shall

3 be used for distribution to licensed classroom teachers at this

4 and other institutions under the control of the department of

5 human services based upon the average student yearly enrollment

6 at each institution as determined by the department.

7 2. A portion of the moneys appropriated in this section

8 shall be used by the state training school at Eldora for

9 grants for adolescent pregnancy prevention activities at the

10 institution in the fiscal year beginning July 1, 2017.

11 Sec. 18. CHILD AND FAMILY SERVICES.

12 1. There is appropriated from the general fund of the

13 state to the department of human services for the fiscal year

14 beginning July 1, 2017, and ending June 30, 2018, the following

15 amount, or so much thereof as is necessary, to be used for the

16 purpose designated:

17 For child and family services:

18 \$ 87,279,375

19 2. The department may transfer funds appropriated in this

20 section as necessary to pay the nonfederal costs of services

21 reimbursed under the medical assistance program, state child

22 care assistance program, or the family investment program which

23 are provided to children who would otherwise receive services

24 paid under the appropriation in this section. The department

25 may transfer funds appropriated in this section to the

26 appropriations made in this division of this Act for general

27 administration and for field operations for resources necessary

28 to implement and operate the services funded in this section.

29 3. a. Of the funds appropriated in this section, up to

30 \$35,736,649 is allocated as the statewide expenditure target

31 under [section 232.143](#) for group foster care maintenance and

32 services. If the department projects that such expenditures

33 for the fiscal year will be less than the target amount

34 allocated in this paragraph "a", the department may reallocate

35 the excess to provide additional funding for shelter care

1 or the child welfare emergency services addressed with the
2 allocation for shelter care.

3 b. If at any time after September 30, 2017, annualization
4 of a service area's current expenditures indicates a service
5 area is at risk of exceeding its group foster care expenditure
6 target under [section 232.143](#) by more than 5 percent, the
7 department and juvenile court services shall examine all
8 group foster care placements in that service area in order to
9 identify those which might be appropriate for termination.
10 In addition, any aftercare services believed to be needed
11 for the children whose placements may be terminated shall be
12 identified. The department and juvenile court services shall
13 initiate action to set dispositional review hearings for the
14 placements identified. In such a dispositional review hearing,
15 the juvenile court shall determine whether needed aftercare
16 services are available and whether termination of the placement
17 is in the best interest of the child and the community.

18 4. In accordance with the provisions of [section 232.188](#),
19 the department shall continue the child welfare and juvenile
20 justice funding initiative during fiscal year 2017-2018. Of
21 the funds appropriated in this section, \$1,717,753 is allocated
22 specifically for expenditure for fiscal year 2017-2018 through
23 the decategorization services funding pools and governance
24 boards established pursuant to [section 232.188](#).

25 5. A portion of the funds appropriated in this section
26 may be used for emergency family assistance to provide other
27 resources required for a family participating in a family
28 preservation or reunification project or successor project to
29 stay together or to be reunified.

30 6. Notwithstanding [section 234.35](#) or any other provision
31 of law to the contrary, state funding for shelter care and
32 the child welfare emergency services contracting implemented
33 to provide for or prevent the need for shelter care shall be
34 limited to \$8,096,158.

35 7. Federal funds received by the state during the fiscal

1 year beginning July 1, 2017, as the result of the expenditure of state funds appropriated during a previous state fiscal year for a service or activity funded under this section are appropriated to the department to be used as additional funding for services and purposes provided for under this section. Notwithstanding [section 8.33](#), moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for the purposes designated until the close of the succeeding fiscal year.

8. a. Of the funds appropriated in this section, up to \$3,290,000 is allocated for the payment of the expenses of court-ordered services provided to juveniles who are under the supervision of juvenile court services, which expenses are a charge upon the state pursuant to [section 232.141](#), subsection 4. Of the amount allocated in this paragraph "a", up to \$1,556,287 shall be made available to provide school-based supervision of children adjudicated under [chapter 232](#), of which not more than \$15,000 may be used for the purpose of training. A portion of the cost of each school-based liaison officer shall be paid by the school district or other funding source as approved by the chief juvenile court officer.

b. Of the funds appropriated in this section, up to \$748,985 is allocated for the payment of the expenses of court-ordered services provided to children who are under the supervision of the department, which expenses are a charge upon the state pursuant to [section 232.141](#), subsection 4.

c. Notwithstanding [section 232.141](#) or any other provision of law to the contrary, the amounts allocated in this subsection shall be distributed to the judicial districts as determined by the state court administrator and to the department's service areas as determined by the administrator of the department of human services' division of child and family services. The state court administrator and the division administrator shall make the determination of the

1 distribution amounts on or before June 15, 2017.

2 d. Notwithstanding [chapter 232](#) or any other provision of
3 law to the contrary, a district or juvenile court shall not
4 order any service which is a charge upon the state pursuant
5 to [section 232.141](#) if there are insufficient court-ordered
6 services funds available in the district court or departmental
7 service area distribution amounts to pay for the service. The
8 chief juvenile court officer and the departmental service area
9 manager shall encourage use of the funds allocated in this
10 subsection such that there are sufficient funds to pay for
11 all court-related services during the entire year. The chief
12 juvenile court officers and departmental service area managers
13 shall attempt to anticipate potential surpluses and shortfalls
14 in the distribution amounts and shall cooperatively request the
15 state court administrator or division administrator to transfer
16 funds between the judicial districts' or departmental service
17 areas' distribution amounts as prudent.

18 e. Notwithstanding any provision of law to the contrary,
19 a district or juvenile court shall not order a county to pay
20 for any service provided to a juvenile pursuant to an order
21 entered under [chapter 232](#) which is a charge upon the state
22 under [section 232.141, subsection 4](#).

23 f. Of the funds allocated in this subsection, not more than
24 \$83,000 may be used by the judicial branch for administration
25 of the requirements under this subsection.

26 g. Of the funds allocated in this subsection, \$17,000
27 shall be used by the department of human services to support
28 the interstate commission for juveniles in accordance with
29 the interstate compact for juveniles as provided in section
30 232.173.

31 9. Of the funds appropriated in this section, \$12,253,227 is
32 allocated for juvenile delinquent graduated sanctions services.
33 Any state funds saved as a result of efforts by juvenile court
34 services to earn a federal Tit. IV-E match for juvenile court
35 services administration may be used for the juvenile delinquent

1 graduated sanctions services.

2 10. Of the funds appropriated in this section, \$1,658,285 is
3 transferred to the department of public health to be used for
4 the child protection center grant program for child protection
5 centers located in Iowa in accordance with [section 135.118](#).
6 The grant amounts under the program shall be equalized so that
7 each center receives a uniform base amount of \$245,000, so that
8 \$50,000 is awarded to establish a satellite child protection
9 center in a city in north central Iowa that is the county
10 seat of a county with a population between 44,000 and 45,000
11 according to the latest certified federal census, and so that
12 the remaining funds are awarded through a funding formula based
13 upon the volume of children served.

14 11. If the department receives federal approval to
15 implement a waiver under Tit. IV-E of the federal Social
16 Security Act to enable providers to serve children who remain
17 in the children's families and communities, for purposes of
18 eligibility under the medical assistance program through 25
19 years of age, children who participate in the waiver shall be
20 considered to be placed in foster care.

21 12. Of the funds appropriated in this section, \$4,025,167 is
22 allocated for the preparation for adult living program pursuant
23 to [section 234.46](#).

24 13. Of the funds appropriated in this section, \$227,337
25 shall be used for the public purpose of continuing a grant to
26 a nonprofit human services organization providing services to
27 individuals and families in multiple locations in southwest
28 Iowa and Nebraska for support of a project providing immediate,
29 sensitive support and forensic interviews, medical exams, needs
30 assessments, and referrals for victims of child abuse and their
31 nonoffending family members.

32 14. Of the funds appropriated in this section, \$300,620
33 is allocated for the foster care youth council approach of
34 providing a support network to children placed in foster care.

35 15. Of the funds appropriated in this section, \$202,000 is

1 allocated for use pursuant to [section 235A.1](#) for continuation
2 of the initiative to address child sexual abuse implemented
3 pursuant to 2007 Iowa Acts, chapter 218, section 18, subsection
4 21.

5 16. Of the funds appropriated in this section, \$630,240 is
6 allocated for the community partnership for child protection
7 sites.

8 17. Of the funds appropriated in this section, \$371,250
9 is allocated for the department's minority youth and family
10 projects under the redesign of the child welfare system.

11 18. Of the funds appropriated in this section, \$1,136,595
12 is allocated for funding of the community circle of care
13 collaboration for children and youth in northeast Iowa.

14 19. Of the funds appropriated in this section, at least
15 \$147,158 shall be used for the continuation of the child
16 welfare provider training academy, a collaboration between the
17 coalition for family and children's services in Iowa and the
18 department.

19 20. Of the funds appropriated in this section, \$211,872
20 shall be used for continuation of the central Iowa system of
21 care program grant through June 30, 2018.

22 21. Of the funds appropriated in this section, \$235,000
23 shall be used for the public purpose of the continuation
24 and expansion of a system of care program grant implemented
25 in Cerro Gordo and Linn counties to utilize a comprehensive
26 and long-term approach for helping children and families by
27 addressing the key areas in a child's life of childhood basic
28 needs, education and work, family, and community.

29 22. Of the funds appropriated in this section, at least
30 \$25,000 shall be used to continue and to expand the foster
31 care respite pilot program in which postsecondary students in
32 social work and other human services-related programs receive
33 experience by assisting family foster care providers with
34 respite and other support.

35 23. Of the funds appropriated in this section, \$110,000

1 shall be used for the public purpose of funding community-based
 2 services and other supports with a system of care approach
 3 for children with a serious emotional disturbance and their
 4 families through a nonprofit provider of child welfare services
 5 that has been in existence for more than 115 years, is located
 6 in a county with a population of more than 200,000 but less
 7 than 220,000 according to the latest certified federal census,
 8 is licensed as a psychiatric medical institution for children,
 9 and was a system of care grantee prior to July 1, 2017.

10 Sec. 19. ADOPTION SUBSIDY.

11 1. There is appropriated from the general fund of the
 12 state to the department of human services for the fiscal year
 13 beginning July 1, 2017, and ending June 30, 2018, the following
 14 amount, or so much thereof as is necessary, to be used for the
 15 purpose designated:

16 a. For adoption subsidy payments and services:

17 \$ 40,777,910

18 b. (1) The funds appropriated in this section shall be used
 19 as authorized or allowed by federal law or regulation for any
 20 of the following purposes:

21 (a) For adoption subsidy payments and related costs.

22 (b) For post-adoption services and for other purposes under
 23 Tit. IV-B or Tit. IV-E of the federal Social Security Act.

24 (2) The department of human services may transfer funds
 25 appropriated in this subsection to the appropriation for
 26 child and family services in this Act for the purposes of
 27 post-adoption services as specified in this paragraph "b".

28 c. Notwithstanding section 8.33, moneys corresponding to
 29 the state savings resulting from implementation of the federal
 30 Fostering Connections to Success and Increasing Adoptions Act
 31 of 2008, Pub. L. No. 110-351, and successor legislation, as
 32 determined in accordance with 42 U.S.C. §673(a)(8), that remain
 33 unencumbered or unobligated at the close of the fiscal year,
 34 shall not revert to any fund but shall remain available for the
 35 purposes designated in this subsection until expended. The

1 amount of such savings and any corresponding funds remaining
2 at the close of the fiscal year shall be determined separately
3 and any changes in either amount between fiscal years shall not
4 result in an unfunded need.

5 2. The department may transfer funds appropriated in
6 this section to the appropriation made in this division of
7 this Act for general administration for costs paid from the
8 appropriation relating to adoption subsidy.

9 3. Federal funds received by the state during the
10 fiscal year beginning July 1, 2017, as the result of the
11 expenditure of state funds during a previous state fiscal
12 year for a service or activity funded under this section are
13 appropriated to the department to be used as additional funding
14 for the services and activities funded under this section.
15 Notwithstanding [section 8.33](#), moneys received in accordance
16 with this subsection that remain unencumbered or unobligated
17 at the close of the fiscal year shall not revert to any fund
18 but shall remain available for expenditure for the purposes
19 designated until the close of the succeeding fiscal year.

20 Sec. 20. JUVENILE DETENTION HOME FUND. Moneys deposited
21 in the juvenile detention home fund created in [section 232.142](#)
22 during the fiscal year beginning July 1, 2017, and ending June
23 30, 2018, are appropriated to the department of human services
24 for the fiscal year beginning July 1, 2017, and ending June 30,
25 2018, for distribution of an amount equal to a percentage of
26 the costs of the establishment, improvement, operation, and
27 maintenance of county or multicounty juvenile detention homes
28 in the fiscal year beginning July 1, 2016. Moneys appropriated
29 for distribution in accordance with this section shall be
30 allocated among eligible detention homes, prorated on the basis
31 of an eligible detention home's proportion of the costs of all
32 eligible detention homes in the fiscal year beginning July
33 1, 2016. The percentage figure shall be determined by the
34 department based on the amount available for distribution for
35 the fund. Notwithstanding [section 232.142, subsection 3](#), the

1 financial aid payable by the state under that provision for the
2 fiscal year beginning July 1, 2017, shall be limited to the
3 amount appropriated for the purposes of this section.

4 Sec. 21. FAMILY SUPPORT SUBSIDY PROGRAM.

5 1. There is appropriated from the general fund of the
6 state to the department of human services for the fiscal year
7 beginning July 1, 2017, and ending June 30, 2018, the following
8 amount, or so much thereof as is necessary, to be used for the
9 purpose designated:

10 For the family support subsidy program subject to the
11 enrollment restrictions in [section 225C.37, subsection 3](#):

12 \$ 1,069,282

13 2. At least \$787,500 of the moneys appropriated in this
14 section is transferred to the department of public health for
15 the family support center component of the comprehensive family
16 support program under chapter 225C, subchapter V.

17 3. If at any time during the fiscal year, the amount of
18 funding available for the family support subsidy program
19 is reduced from the amount initially used to establish the
20 figure for the number of family members for whom a subsidy
21 is to be provided at any one time during the fiscal year,
22 notwithstanding [section 225C.38, subsection 2](#), the department
23 shall revise the figure as necessary to conform to the amount
24 of funding available.

25 Sec. 22. CONNER DECREE. There is appropriated from the
26 general fund of the state to the department of human services
27 for the fiscal year beginning July 1, 2017, and ending June 30,
28 2018, the following amount, or so much thereof as is necessary,
29 to be used for the purpose designated:

30 For building community capacity through the coordination
31 and provision of training opportunities in accordance with the
32 consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D.
33 Iowa, July 14, 1994):

34 \$ 33,632

35 Sec. 23. MENTAL HEALTH INSTITUTES.

1 1. There is appropriated from the general fund of the
 2 state to the department of human services for the fiscal year
 3 beginning July 1, 2017, and ending June 30, 2018, the following
 4 amounts, or so much thereof as is necessary, to be used for the
 5 purposes designated:

6 a. For operation of the state mental health institute at
 7 Cherokee as required by chapters 218 and 226 for salaries,
 8 support, maintenance, and miscellaneous purposes, and for not
 9 more than the following full-time equivalent positions:

10	\$ 13,870,254
11	FTEs 162.00

12 b. For operation of the state mental health institute at
 13 Independence as required by chapters 218 and 226 for salaries,
 14 support, maintenance, and miscellaneous purposes, and for not
 15 more than the following full-time equivalent positions:

16	\$ 17,513,621
17	FTEs 204.00

18 2. Notwithstanding sections 218.78 and 249A.11, any revenue
 19 received from the state mental health institute at Cherokee or
 20 the state mental health institute at Independence pursuant to
 21 42 C.F.R §438.6(e) may be retained and expended by the mental
 22 health institute.

23 3. Notwithstanding any provision of law to the contrary,
 24 a Medicaid member residing at the state mental health
 25 institute at Cherokee or the state mental health institute
 26 at Independence shall retain Medicaid eligibility during
 27 the period of the Medicaid member's stay for which federal
 28 financial participation is available.

29 Sec. 24. STATE RESOURCE CENTERS.

30 1. There is appropriated from the general fund of the
 31 state to the department of human services for the fiscal year
 32 beginning July 1, 2017, and ending June 30, 2018, the following
 33 amounts, or so much thereof as is necessary, to be used for the
 34 purposes designated:

35 a. For the state resource center at Glenwood for salaries,

1 support, maintenance, and miscellaneous purposes:

2 \$ 17,887,781

3 b. For the state resource center at Woodward for salaries,
4 support, maintenance, and miscellaneous purposes:

5 \$ 12,077,034

6 2. The department may continue to bill for state resource
7 center services utilizing a scope of services approach used for
8 private providers of intermediate care facilities for persons
9 with an intellectual disability services, in a manner which
10 does not shift costs between the medical assistance program,
11 counties, or other sources of funding for the state resource
12 centers.

13 3. The state resource centers may expand the time-limited
14 assessment and respite services during the fiscal year.

15 4. If the department's administration and the department
16 of management concur with a finding by a state resource
17 center's superintendent that projected revenues can reasonably
18 be expected to pay the salary and support costs for a new
19 employee position, or that such costs for adding a particular
20 number of new positions for the fiscal year would be less
21 than the overtime costs if new positions would not be added,
22 the superintendent may add the new position or positions. If
23 the vacant positions available to a resource center do not
24 include the position classification desired to be filled, the
25 state resource center's superintendent may reclassify any
26 vacant position as necessary to fill the desired position. The
27 superintendents of the state resource centers may, by mutual
28 agreement, pool vacant positions and position classifications
29 during the course of the fiscal year in order to assist one
30 another in filling necessary positions.

31 5. If existing capacity limitations are reached in
32 operating units, a waiting list is in effect for a service or
33 a special need for which a payment source or other funding
34 is available for the service or to address the special need,
35 and facilities for the service or to address the special need

1 can be provided within the available payment source or other
 2 funding, the superintendent of a state resource center may
 3 authorize opening not more than two units or other facilities
 4 and begin implementing the service or addressing the special
 5 need during fiscal year 2017-2018.

6 Sec. 25. SEXUALLY VIOLENT PREDATORS.

7 1. There is appropriated from the general fund of the
 8 state to the department of human services for the fiscal year
 9 beginning July 1, 2017, and ending June 30, 2018, the following
 10 amount, or so much thereof as is necessary, to be used for the
 11 purpose designated:

12 For costs associated with the commitment and treatment of
 13 sexually violent predators in the unit located at the state
 14 mental health institute at Cherokee, including costs of legal
 15 services and other associated costs, including salaries,
 16 support, maintenance, and miscellaneous purposes, and for not
 17 more than the following full-time equivalent positions:

18	\$	9,464,747
19	FTEs	112.00

20 2. Unless specifically prohibited by law, if the amount
 21 charged provides for recoupment of at least the entire amount
 22 of direct and indirect costs, the department of human services
 23 may contract with other states to provide care and treatment
 24 of persons placed by the other states at the unit for sexually
 25 violent predators at Cherokee. The moneys received under
 26 such a contract shall be considered to be repayment receipts
 27 and used for the purposes of the appropriation made in this
 28 section.

29 Sec. 26. FIELD OPERATIONS. There is appropriated from the
 30 general fund of the state to the department of human services
 31 for the fiscal year beginning July 1, 2017, and ending June 30,
 32 2018, the following amount, or so much thereof as is necessary,
 33 to be used for the purposes designated:

34 For field operations, including salaries, support,
 35 maintenance, and miscellaneous purposes, and for not more than

1 the following full-time equivalent positions:

2 \$ 48,484,435

3 FTEs 1,583.00

4 Priority in filling full-time equivalent positions shall be
5 given to those positions related to child protection services
6 and eligibility determination for low-income families.

7 Sec. 27. GENERAL ADMINISTRATION. There is appropriated
8 from the general fund of the state to the department of human
9 services for the fiscal year beginning July 1, 2017, and ending
10 June 30, 2018, the following amount, or so much thereof as is
11 necessary, to be used for the purpose designated:

12 For general administration, including salaries, support,
13 maintenance, and miscellaneous purposes, and for not more than
14 the following full-time equivalent positions:

15 \$ 14,033,040

16 FTEs 294.00

17 1. The department shall report at least monthly to the
18 legislative services agency concerning the department's
19 operational and program expenditures.

20 2. Of the funds appropriated in this section, \$150,000 shall
21 be used to continue the contract for the provision of a program
22 to provide technical assistance, support, and consultation to
23 providers of habilitation services and home and community-based
24 services waiver services for adults with disabilities under the
25 medical assistance program.

26 3. Of the funds appropriated in this section, \$50,000
27 is transferred to the Iowa finance authority to be used
28 for administrative support of the council on homelessness
29 established in [section 16.2D](#) and for the council to fulfill its
30 duties in addressing and reducing homelessness in the state.

31 4. Of the funds appropriated in this section, \$200,000 shall
32 be transferred to and deposited in the administrative fund of
33 the Iowa ABLE savings plan trust created in [section 12I.4](#), to
34 be used for implementation and administration activities of the
35 Iowa ABLE savings plan trust.

1 5. Of the funds appropriated in this section, \$200,000 is
 2 transferred to the economic development authority for the Iowa
 3 commission on volunteer services to continue to be used for
 4 RefugeeRISE AmeriCorps program established under section 15H.8
 5 for member recruitment and training to improve the economic
 6 well-being and health of economically disadvantaged refugees in
 7 local communities across Iowa. Funds transferred may be used
 8 to supplement federal funds under federal regulations.

9 6. Of the funds appropriated in this section, \$300,000 shall
 10 be used to contract for children's well-being collaboratives
 11 grants for the development and implementation of children's
 12 well-being collaboratives to establish and coordinate
 13 prevention and early intervention services to promote improved
 14 mental health and well-being for children and families, as
 15 enacted in this 2017 Act.

16 7. Of the funds appropriated in this section, \$200,000
 17 shall be used to continue to expand the provision of nationally
 18 accredited and recognized internet-based training to include
 19 mental health and disability services providers.

20 Sec. 28. DEPARTMENT-WIDE DUTIES. There is appropriated
 21 from the general fund of the state to the department of human
 22 services for the fiscal year beginning July 1, 2017, and ending
 23 June 30, 2018, the following amount, or so much thereof as is
 24 necessary, to be used for the purposes designated:

25 For salaries, support, maintenance, and miscellaneous
 26 purposes at facilities under the purview of the department of
 27 human services:

28 \$ 2,879,274

29 Sec. 29. VOLUNTEERS. There is appropriated from the general
 30 fund of the state to the department of human services for the
 31 fiscal year beginning July 1, 2017, and ending June 30, 2018,
 32 the following amount, or so much thereof as is necessary, to be
 33 used for the purpose designated:

34 For development and coordination of volunteer services:

35 \$ 84,686

1 Sec. 30. GENERAL REDUCTION. For the period beginning July
2 1, 2017, and ending June 30, 2018, the department of human
3 services, in consultation with the department of management,
4 shall identify and implement a reduction in expenditures made
5 from appropriations from the general fund to the department of
6 human services in the amount of \$1,467,303.

7 Sec. 31. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY
8 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE
9 DEPARTMENT OF HUMAN SERVICES.

10 1. a. (1) (a) For the fiscal year beginning July 1,
11 2017, the department shall rebase case-mix nursing facility
12 rates effective July 1, 2017, to the extent possible within the
13 state funding, including the \$2,500,000, appropriated for this
14 purpose.

15 (b) For the fiscal year beginning July 1, 2017, non-case-mix
16 and special population nursing facilities shall be reimbursed
17 in accordance with the methodology in effect on June 30 of the
18 prior fiscal year.

19 (c) For managed care claims, the department of human
20 services shall adjust the payment rate floor for nursing
21 facilities, annually, to maintain a rate floor that is no
22 lower than the Medicaid fee-for-service case-mix adjusted
23 rate calculated in accordance with subparagraph division
24 (a) and 441 IAC 81.6. The department shall then calculate
25 adjusted reimbursement rates, including but not limited to
26 add-on-payments, annually, and shall notify Medicaid managed
27 care organizations of the adjusted reimbursement rates within
28 30 days of determining the adjusted reimbursement rates. Any
29 adjustment of reimbursement rates under this subparagraph
30 division shall be budget neutral to the state budget.

31 (d) For the fiscal year beginning July 1, 2017, Medicaid
32 managed care long-term services and supports capitation
33 rates shall be adjusted to reflect the rebasing pursuant to
34 subparagraph division (a) for the patient populations residing
35 in Medicaid-certified nursing facilities.

1 (2) For any open or unsettled nursing facility cost report
2 for a fiscal year prior to and including the fiscal year
3 beginning July 1, 2016, including any cost report remanded on
4 judicial review for inclusion of prescription drug, laboratory,
5 or x-ray costs, the department shall offset all reported
6 prescription drug, laboratory, and x-ray costs with any revenue
7 received from Medicare or other revenue source for any purpose.
8 For purposes of this subparagraph, a nursing facility cost
9 report is not considered open or unsettled if the facility did
10 not initiate an administrative appeal under [chapter 17A](#) or if
11 any appeal rights initiated have been exhausted.

12 (3) Medicaid managed care organizations shall adjust
13 facility-specific rates based upon payment rate listings issued
14 by the department. The rate adjustments shall be applied
15 retroactively based upon the effective date of the rate letter
16 issued by the department. A Medicaid managed care organization
17 shall honor all retroactive rate adjustments including when
18 specific provider rates are delayed or amended.

19 b. (1) For the fiscal year beginning July 1, 2017,
20 the department shall establish the pharmacy dispensing fee
21 reimbursement at \$10.02 per prescription, until a cost of
22 dispensing survey is completed. The actual dispensing fee
23 shall be determined by a cost of dispensing survey performed
24 by the department and required to be completed by all medical
25 assistance program participating pharmacies every two years,
26 adjusted as necessary to maintain expenditures within the
27 amount appropriated to the department for this purpose for the
28 fiscal year.

29 (2) The department shall utilize an average acquisition
30 cost reimbursement methodology for all drugs covered under the
31 medical assistance program in accordance with 2012 Iowa Acts,
32 chapter 1133, section 33.

33 c. (1) For the fiscal year beginning July 1, 2017,
34 reimbursement rates for outpatient hospital services shall
35 be rebased effective January 1, 2018, subject to Medicaid

1 program upper payment limit rules, and adjusted as necessary
2 to maintain expenditures within the amount appropriated to the
3 department for this purpose for the fiscal year.

4 (2) For the fiscal year beginning July 1, 2017,
5 reimbursement rates for inpatient hospital services shall
6 remain at the rates in effect on June 30, 2017, subject to
7 Medicaid program upper payment limit rules, and adjusted
8 as necessary to maintain expenditures within the amount
9 appropriated to the department for this purpose for the fiscal
10 year.

11 (3) For the fiscal year beginning July 1, 2017, the graduate
12 medical education and disproportionate share hospital fund
13 shall remain at the amount in effect on June 30, 2017, except
14 that the portion of the fund attributable to graduate medical
15 education shall be reduced in an amount that reflects the
16 elimination of graduate medical education payments made to
17 out-of-state hospitals.

18 (4) In order to ensure the efficient use of limited state
19 funds in procuring health care services for low-income Iowans,
20 funds appropriated in this Act for hospital services shall
21 not be used for activities which would be excluded from a
22 determination of reasonable costs under the federal Medicare
23 program pursuant to 42 U.S.C. §1395x(v)(1)(N).

24 d. For the fiscal year beginning July 1, 2017, reimbursement
25 rates for hospices and acute mental hospitals shall be
26 increased in accordance with increases under the federal
27 Medicare program or as supported by their Medicare audited
28 costs.

29 e. For the fiscal year beginning July 1, 2017, independent
30 laboratories and rehabilitation agencies shall be reimbursed
31 using the same methodology in effect on June 30, 2017.

32 f. (1) For the fiscal year beginning July 1, 2017,
33 reimbursement rates for home health agencies shall continue to
34 be based on the Medicare low utilization payment adjustment
35 (LUPA) methodology with state geographic wage adjustments.

1 The department shall continue to update the rates every two
2 years to reflect the most recent Medicare LUPA rates to the
3 extent possible within the state funding appropriated for this
4 purpose.

5 (2) For the fiscal year beginning July 1, 2017, rates for
6 private duty nursing and personal care services under the early
7 and periodic screening, diagnostic, and treatment program
8 benefit shall be calculated based on the methodology in effect
9 on June 30, 2017.

10 g. For the fiscal year beginning July 1, 2017, federally
11 qualified health centers and rural health clinics shall receive
12 cost-based reimbursement for 100 percent of the reasonable
13 costs for the provision of services to recipients of medical
14 assistance.

15 h. For the fiscal year beginning July 1, 2017, the
16 reimbursement rates for dental services shall remain at the
17 rates in effect on June 30, 2017.

18 i. (1) For the fiscal year beginning July 1, 2017,
19 reimbursement rates for non-state-owned psychiatric medical
20 institutions for children shall be based on the reimbursement
21 methodology in effect on June 30, 2017.

22 (2) As a condition of participation in the medical
23 assistance program, enrolled providers shall accept the medical
24 assistance reimbursement rate for any covered goods or services
25 provided to recipients of medical assistance who are children
26 under the custody of a psychiatric medical institution for
27 children.

28 j. For the fiscal year beginning July 1, 2017, unless
29 otherwise specified in this Act, all noninstitutional medical
30 assistance provider reimbursement rates shall remain at the
31 rates in effect on June 30, 2017, except for area education
32 agencies, local education agencies, infant and toddler
33 services providers, home and community-based services providers
34 including consumer-directed attendant care providers under a
35 section 1915(c) or 1915(i) waiver, targeted case management

1 providers, and those providers whose rates are required to be
2 determined pursuant to [section 249A.20](#).

3 k. Notwithstanding any provision to the contrary, for the
4 fiscal year beginning July 1, 2017, the reimbursement rate
5 for anesthesiologists shall be adjusted to implement the cost
6 containment strategies authorized for the medical assistance
7 program in this 2017 Act.

8 l. Notwithstanding [section 249A.20](#), for the fiscal year
9 beginning July 1, 2017, the average reimbursement rate for
10 health care providers eligible for use of the federal Medicare
11 resource-based relative value scale reimbursement methodology
12 under [section 249A.20](#) shall remain at the rate in effect on
13 June 30, 2017; however, this rate shall not exceed the maximum
14 level authorized by the federal government.

15 m. For the fiscal year beginning July 1, 2017, the
16 reimbursement rate for residential care facilities shall not
17 be less than the minimum payment level as established by the
18 federal government to meet the federally mandated maintenance
19 of effort requirement. The flat reimbursement rate for
20 facilities electing not to file annual cost reports shall not
21 be less than the minimum payment level as established by the
22 federal government to meet the federally mandated maintenance
23 of effort requirement.

24 n. For the fiscal year beginning July 1, 2017, the
25 reimbursement rates for inpatient mental health services
26 provided at hospitals shall remain at the rates in effect on
27 June 30, 2017, subject to Medicaid program upper payment limit
28 rules; and psychiatrists shall be reimbursed at the medical
29 assistance program fee-for-service rate in effect on June 30,
30 2017.

31 o. For the fiscal year beginning July 1, 2017, community
32 mental health centers may choose to be reimbursed for the
33 services provided to recipients of medical assistance through
34 either of the following options:

35 (1) For 100 percent of the reasonable costs of the services.

1 (2) In accordance with the alternative reimbursement rate
2 methodology approved by the department of human services in
3 effect on June 30, 2017.

4 p. For the fiscal year beginning July 1, 2017, the
5 reimbursement rate for providers of family planning services
6 that are eligible to receive a 90 percent federal match shall
7 remain at the rates in effect on June 30, 2017.

8 q. Unless otherwise subject to a tiered rate methodology,
9 for the fiscal year beginning July 1, 2017, the upper
10 limits and reimbursement rates for providers of home and
11 community-based services waiver services shall be reimbursed
12 using the reimbursement methodology in effect on June 30, 2017.

13 r. For the fiscal year beginning July 1, 2017, the
14 reimbursement rates for emergency medical service providers
15 shall remain at the rates in effect on June 30, 2017.

16 s. For the fiscal year beginning July 1, 2017, reimbursement
17 rates for substance-related disorder treatment programs
18 licensed under section 125.13 shall remain at the rates in
19 effect on June 30, 2017.

20 2. For the fiscal year beginning July 1, 2017, the
21 reimbursement rate for providers reimbursed under the
22 in-home-related care program shall not be less than the minimum
23 payment level as established by the federal government to meet
24 the federally mandated maintenance of effort requirement.

25 3. Unless otherwise directed in this section, when the
26 department's reimbursement methodology for any provider
27 reimbursed in accordance with this section includes an
28 inflation factor, this factor shall not exceed the amount
29 by which the consumer price index for all urban consumers
30 increased during the calendar year ending December 31, 2002.

31 4. Notwithstanding section 234.38, for the fiscal
32 year beginning July 1, 2017, the foster family basic daily
33 maintenance rate and the maximum adoption subsidy rate for
34 children ages 0 through 5 years shall be \$16.78, the rate for
35 children ages 6 through 11 years shall be \$17.45, the rate for

1 children ages 12 through 15 years shall be \$19.10, and the
 2 rate for children and young adults ages 16 and older shall
 3 be \$19.35. For youth ages 18 to 21 who have exited foster
 4 care, the preparation for adult living program maintenance rate
 5 shall be \$602.70 per month. The maximum payment for adoption
 6 subsidy nonrecurring expenses shall be limited to \$500 and the
 7 disallowance of additional amounts for court costs and other
 8 related legal expenses implemented pursuant to 2010 Iowa Acts,
 9 chapter 1031, section 408, shall be continued.

10 5. For the fiscal year beginning July 1, 2017, the maximum
 11 reimbursement rates for social services providers under
 12 contract shall remain at the rates in effect on June 30, 2017,
 13 or the provider's actual and allowable cost plus inflation for
 14 each service, whichever is less. However, if a new service
 15 or service provider is added after June 30, 2017, the initial
 16 reimbursement rate for the service or provider shall be based
 17 upon a weighted average of provider rates for similar services.

18 6. a. For the fiscal year beginning July 1, 2017, the
 19 reimbursement rates for resource family recruitment and
 20 retention contractors shall be established by contract.

21 b. For the fiscal year beginning July 1, 2017, the
 22 reimbursement rates for supervised apartment living foster care
 23 providers shall be established by contract.

24 7. a. For the purposes of this subsection, "combined
 25 reimbursement rate" means the combined service and maintenance
 26 reimbursement rate for a service level under the department's
 27 reimbursement methodology. Effective July 1, 2017, the
 28 combined reimbursement rate for a group foster care service
 29 level shall be the amount designated in this subsection.
 30 However, if a group foster care provider's reimbursement rate
 31 for a service level as of June 30, 2017, is more than the rate
 32 designated in this subsection, the provider's reimbursement
 33 shall remain at the higher rate.

34 b. Unless a group foster care provider is subject to the
 35 exception provided in paragraph "a", effective July 1, 2017,

1 the combined reimbursement rates for the service levels under
2 the department's reimbursement methodology shall be as follows:

3 (1) For service level, community - D1, the daily rate shall
4 be at least \$84.17.

5 (2) For service level, comprehensive - D2, the daily rate
6 shall be at least \$119.09.

7 (3) For service level, enhanced - D3, the daily rate shall
8 be at least \$131.09.

9 8. The group foster care reimbursement rates paid for
10 placement of children out of state shall be calculated
11 according to the same rate-setting principles as those used for
12 in-state providers, unless the director of human services or
13 the director's designee determines that appropriate care cannot
14 be provided within the state. The payment of the daily rate
15 shall be based on the number of days in the calendar month in
16 which service is provided.

17 9. a. For the fiscal year beginning July 1, 2017, the
18 reimbursement rate paid for shelter care and the child welfare
19 emergency services implemented to provide or prevent the need
20 for shelter care shall be established by contract.

21 b. For the fiscal year beginning July 1, 2017, the combined
22 service and maintenance components of the reimbursement rate
23 paid for shelter care services shall be based on the financial
24 and statistical report submitted to the department. The
25 maximum reimbursement rate shall be \$101.83 per day. The
26 department shall reimburse a shelter care provider at the
27 provider's actual and allowable unit cost, plus inflation, not
28 to exceed the maximum reimbursement rate.

29 c. Notwithstanding [section 232.141, subsection 8](#), for the
30 fiscal year beginning July 1, 2017, the amount of the statewide
31 average of the actual and allowable rates for reimbursement of
32 juvenile shelter care homes that is utilized for the limitation
33 on recovery of unpaid costs shall remain at the amount in
34 effect for this purpose in the fiscal year beginning July 1,
35 2016.

1 10. For the fiscal year beginning July 1, 2017, the
2 department shall calculate reimbursement rates for intermediate
3 care facilities for persons with an intellectual disability
4 at the 80th percentile. Beginning July 1, 2017, the rate
5 calculation methodology shall utilize the consumer price index
6 inflation factor applicable to the fiscal year beginning July
7 1, 2017.

8 11. For the fiscal year beginning July 1, 2017, for child
9 care providers reimbursed under the state child care assistance
10 program, the department shall set provider reimbursement
11 rates based on the rate reimbursement survey completed in
12 December 2004. Effective July 1, 2017, the child care provider
13 reimbursement rates shall remain at the rates in effect on June
14 30, 2017. The department shall set rates in a manner so as
15 to provide incentives for a nonregistered provider to become
16 registered by applying the increase only to registered and
17 licensed providers.

18 12. For the fiscal year beginning July 1, 2017, affected
19 providers or services shall be reimbursed as follows:

20 a. For fee-for-service claims, a rate or reimbursement
21 shall be calculated based on the methodology otherwise
22 specified in this section for the fiscal year beginning July 1,
23 2017, for the respective provider or service.

24 b. For claims subject to a managed care contract with
25 the exception of any provider or service to which a rate or
26 reimbursement increase is applicable for the fiscal year under
27 this section, the rate or reimbursement shall be based on the
28 methodology established by the managed care contract. However,
29 any rate or reimbursement established under such contract
30 shall not be lower than the rate or reimbursement floor
31 established by the department of human services as the managed
32 care organization rate or reimbursement floor for a respective
33 provider or service in effect on April 1, 2016.

34 13. Notwithstanding any provision to the contrary,
35 reimbursement rates and methodologies under this section may

1 be adjusted as necessary to implement the cost containment
2 strategies authorized for the medical assistance program in
3 this 2017 Act.

4 14. The department may adopt emergency rules to implement
5 this section.

6 Sec. 32. EMERGENCY RULES.

7 1. If specifically authorized by a provision of this
8 division of this Act, the department of human services or
9 the mental health and disability services commission may
10 adopt administrative rules under section 17A.4, subsection
11 3, and [section 17A.5, subsection 2, paragraph "b"](#), to
12 implement the provisions of this division of this Act and
13 the rules shall become effective immediately upon filing or
14 on a later effective date specified in the rules, unless the
15 effective date of the rules is delayed or the applicability
16 of the rules is suspended by the administrative rules review
17 committee. Any rules adopted in accordance with this section
18 shall not take effect before the rules are reviewed by the
19 administrative rules review committee. The delay authority
20 provided to the administrative rules review committee under
21 section 17A.4, subsection 7, and [section 17A.8, subsection 9](#),
22 shall be applicable to a delay imposed under this section,
23 notwithstanding a provision in those sections making them
24 inapplicable to [section 17A.5, subsection 2, paragraph "b"](#).
25 Any rules adopted in accordance with the provisions of this
26 section shall also be published as a notice of intended action
27 as provided in [section 17A.4](#).

28 2. If during a fiscal year, the department of human
29 services is adopting rules in accordance with this section
30 or as otherwise directed or authorized by state law, and the
31 rules will result in an expenditure increase beyond the amount
32 anticipated in the budget process or if the expenditure was
33 not addressed in the budget process for the fiscal year, the
34 department shall notify the persons designated by this division
35 of this Act for submission of reports, the chairpersons and

1 ranking members of the committees on appropriations, and
 2 the department of management concerning the rules and the
 3 expenditure increase. The notification shall be provided at
 4 least 30 calendar days prior to the date notice of the rules
 5 is submitted to the administrative rules coordinator and the
 6 administrative code editor.

7 Sec. 33. REPORTS. Any reports or other information
 8 required to be compiled and submitted under this Act during the
 9 fiscal year beginning July 1, 2017, shall be submitted to the
 10 chairpersons and ranking members of the joint appropriations
 11 subcommittee on health and human services, the legislative
 12 services agency, and the legislative caucus staffs on or
 13 before the dates specified for submission of the reports or
 14 information.

15 Sec. 34. TRANSFER OF MEDICAID MODERNIZATION SAVINGS BETWEEN
 16 APPROPRIATIONS FY 2017-2018. Notwithstanding section 8.39,
 17 subsection 1, for the fiscal year beginning July 1, 2017, if
 18 savings resulting from the governor's Medicaid modernization
 19 initiative accrue to the medical contracts or children's health
 20 insurance program appropriation from the general fund of the
 21 state and not to the medical assistance appropriation from the
 22 general fund of the state under this division of this Act,
 23 such savings may be transferred to such medical assistance
 24 appropriation for the same fiscal year without prior written
 25 consent and approval of the governor and the director of the
 26 department of management. The department of human services
 27 shall report any transfers made pursuant to this section to the
 28 legislative services agency.

29 Sec. 35. EFFECTIVE UPON ENACTMENT. The following
 30 provisions of this division of this Act, being deemed of
 31 immediate importance, take effect upon enactment:

32 1. The provision relating to section 232.141 and directing
 33 the state court administrator and the division administrator of
 34 the department of human services division of child and family
 35 services to make the determination, by June 15, 2017, of the

1 distribution of funds allocated for the payment of the expenses
2 of court-ordered services provided to juveniles which are a
3 charge upon the state.

4 DIVISION VI

5 HEALTH CARE ACCOUNTS AND FUNDS — FY 2017-2018

6 Sec. 36. PHARMACEUTICAL SETTLEMENT ACCOUNT. There is
7 appropriated from the pharmaceutical settlement account created
8 in section 249A.33 to the department of human services for the
9 fiscal year beginning July 1, 2017, and ending June 30, 2018,
10 the following amount, or so much thereof as is necessary, to be
11 used for the purpose designated:

12 Notwithstanding any provision of law to the contrary, to
13 supplement the appropriations made in this Act for medical
14 contracts under the medical assistance program for the fiscal
15 year beginning July 1, 2017, and ending June 30, 2018:

16 \$ 800,000

17 Sec. 37. QUALITY ASSURANCE TRUST FUND — DEPARTMENT OF HUMAN
18 SERVICES. Notwithstanding any provision to the contrary and
19 subject to the availability of funds, there is appropriated
20 from the quality assurance trust fund created in section
21 249L.4 to the department of human services for the fiscal year
22 beginning July 1, 2017, and ending June 30, 2018, the following
23 amounts, or so much thereof as is necessary, for the purposes
24 designated:

25 To supplement the appropriation made in this Act from the
26 general fund of the state to the department of human services
27 for medical assistance for the same fiscal year:

28 \$ 36,705,208

29 Sec. 38. HOSPITAL HEALTH CARE ACCESS TRUST FUND —
30 DEPARTMENT OF HUMAN SERVICES. Notwithstanding any provision to
31 the contrary and subject to the availability of funds, there is
32 appropriated from the hospital health care access trust fund
33 created in section 249M.4 to the department of human services
34 for the fiscal year beginning July 1, 2017, and ending June
35 30, 2018, the following amounts, or so much thereof as is

1 necessary, for the purposes designated:

2 To supplement the appropriation made in this Act from the
3 general fund of the state to the department of human services
4 for medical assistance for the same fiscal year:

5 \$ 33,920,554

6 Sec. 39. MEDICAL ASSISTANCE PROGRAM — NONREVERSION
7 FOR FY 2017-2018. Notwithstanding [section 8.33](#), if moneys
8 appropriated for purposes of the medical assistance program for
9 the fiscal year beginning July 1, 2017, and ending June 30,
10 2018, from the general fund of the state, the quality assurance
11 trust fund and the hospital health care access trust fund, are
12 in excess of actual expenditures for the medical assistance
13 program and remain unencumbered or unobligated at the close
14 of the fiscal year, the excess moneys shall not revert but
15 shall remain available for expenditure for the purposes of the
16 medical assistance program until the close of the succeeding
17 fiscal year.

18 DIVISION VII

19 DEPARTMENT ON AGING — FY 2018-2019

20 Sec. 40. DEPARTMENT ON AGING. There is appropriated from
21 the general fund of the state to the department on aging for
22 the fiscal year beginning July 1, 2018, and ending June 30,
23 2019, the following amount, or so much thereof as is necessary,
24 to be used for the purposes designated:

25 For aging programs for the department on aging and area
26 agencies on aging to provide citizens of Iowa who are 60 years
27 of age and older with case management for frail elders, Iowa's
28 aging and disabilities resource center, and other services
29 which may include but are not limited to adult day services,
30 respite care, chore services, information and assistance,
31 and material aid, for information and options counseling for
32 persons with disabilities who are 18 years of age or older,
33 and for salaries, support, administration, maintenance, and
34 miscellaneous purposes, and for not more than the following
35 full-time equivalent positions:

1 \$ 5,521,238
 2 FTEs 27.00
 3 1. Funds appropriated in this section may be used to
 4 supplement federal funds under federal regulations. To
 5 receive funds appropriated in this section, a local area
 6 agency on aging shall match the funds with moneys from other
 7 sources according to rules adopted by the department. Funds
 8 appropriated in this section may be used for elderly services
 9 not specifically enumerated in this section only if approved
 10 by an area agency on aging for provision of the service within
 11 the area.
 12 2. Of the funds appropriated in this section, \$139,973 is
 13 transferred to the economic development authority for the Iowa
 14 commission on volunteer services to be used for the retired and
 15 senior volunteer program.
 16 3. a. The department on aging shall establish and enforce
 17 procedures relating to expenditure of state and federal funds
 18 by area agencies on aging that require compliance with both
 19 state and federal laws, rules, and regulations, including but
 20 not limited to all of the following:
 21 (1) Requiring that expenditures are incurred only for goods
 22 or services received or performed prior to the end of the
 23 fiscal period designated for use of the funds.
 24 (2) Prohibiting prepayment for goods or services not
 25 received or performed prior to the end of the fiscal period
 26 designated for use of the funds.
 27 (3) Prohibiting the prepayment for goods or services
 28 not defined specifically by good or service, time period, or
 29 recipient.
 30 (4) Prohibiting the establishment of accounts from which
 31 future goods or services which are not defined specifically by
 32 good or service, time period, or recipient, may be purchased.
 33 b. The procedures shall provide that if any funds are
 34 expended in a manner that is not in compliance with the
 35 procedures and applicable federal and state laws, rules, and

1 regulations, and are subsequently subject to repayment, the
2 area agency on aging expending such funds in contravention of
3 such procedures, laws, rules and regulations, not the state,
4 shall be liable for such repayment.

5 4. Of the funds appropriated in this section, at least
6 \$125,000 shall be used to fund the unmet needs identified
7 through Iowa's aging and disability resource center network.

8 5. Of the funds appropriated in this section, at least
9 \$300,000 shall be used to fund home and community-based
10 services through the area agencies on aging that enable older
11 individuals to avoid more costly utilization of residential or
12 institutional services and remain in their own homes.

13 6. Of the funds appropriated in this section, \$406,268
14 shall be used for the purposes of [chapter 231E](#) and section
15 231.56A, of which \$175,000 shall be used for the office of
16 substitute decision maker pursuant to [chapter 231E](#), and the
17 remainder shall be distributed equally to the area agencies on
18 aging to administer the prevention of elder abuse, neglect, and
19 exploitation program pursuant to [section 231.56A](#), in accordance
20 with the requirements of the federal Older Americans Act of
21 1965, 42 U.S.C. §3001 et seq., as amended.

22 7. Of the funds appropriated in this section, \$375,000
23 shall be used to fund continuation of the aging and disability
24 resource center lifelong links to provide individuals and
25 caregivers with information and services to plan for and
26 maintain independence.

27 8. Notwithstanding section 8.39, for the fiscal year
28 beginning July 1, 2018, the department may transfer funds
29 within or between the allocations made in this division of this
30 Act for the same fiscal year in accordance with departmental
31 priorities. The department shall report any such transfers
32 to the individuals specified in this Act for submission of
33 reports. This subsection shall not be construed to prohibit
34 the use of existing state transfer authority for other
35 purposes.

1 DIVISION VIII

2 OFFICE OF LONG-TERM CARE OMBUDSMAN — FY 2018-2019

3 Sec. 41. OFFICE OF LONG-TERM CARE OMBUDSMAN. There is
 4 appropriated from the general fund of the state to the office
 5 of long-term care ombudsman for the fiscal year beginning July
 6 1, 2018, and ending June 30, 2019, the following amount, or
 7 so much thereof as is necessary, to be used for the purposes
 8 designated:

9 For salaries, support, administration, maintenance, and
 10 miscellaneous purposes, and for not more than the following
 11 full-time equivalent positions:

12	\$	580,140
13	FTEs	16.00

14 DIVISION IX

15 DEPARTMENT OF PUBLIC HEALTH — FY 2018-2019

16 Sec. 42. DEPARTMENT OF PUBLIC HEALTH. There is appropriated
 17 from the general fund of the state to the department of public
 18 health for the fiscal year beginning July 1, 2018, and ending
 19 June 30, 2019, the following amounts, or so much thereof as is
 20 necessary, to be used for the purposes designated:

21 1. ADDICTIVE DISORDERS

22 For reducing the prevalence of the use of tobacco, alcohol,
 23 and other drugs, and treating individuals affected by addictive
 24 behaviors, including gambling, and for not more than the
 25 following full-time equivalent positions:

26	\$	12,492,915
27	FTEs	10.00

28 a. (1) Of the funds appropriated in this subsection,
 29 \$2,010,612 shall be used for the tobacco use prevention
 30 and control initiative, including efforts at the state and
 31 local levels, as provided in [chapter 142A](#). The commission
 32 on tobacco use prevention and control established pursuant
 33 to [section 142A.3](#) shall advise the director of public health
 34 in prioritizing funding needs and the allocation of moneys
 35 appropriated for the programs and initiatives. Activities

1 of the programs and initiatives shall be in alignment with
2 the United States centers for disease control and prevention
3 best practices for comprehensive tobacco control programs that
4 include the goals of preventing youth initiation of tobacco
5 usage, reducing exposure to secondhand smoke, and promotion
6 of tobacco cessation. To maximize resources, the department
7 shall determine if third-party sources are available to
8 instead provide nicotine replacement products to an applicant
9 prior to provision of such products to an applicant under
10 the initiative. The department shall track and report to
11 the individuals specified in this Act, any reduction in
12 the provision of nicotine replacement products realized by
13 the initiative through implementation of the prerequisite
14 screening.

15 (2) (a) The department shall collaborate with the
16 alcoholic beverages division of the department of commerce for
17 enforcement of tobacco laws, regulations, and ordinances and to
18 engage in tobacco control activities approved by the division
19 of tobacco use prevention and control of the department of
20 public health as specified in the memorandum of understanding
21 entered into between the divisions.

22 (b) For the fiscal year beginning July 1, 2018, and ending
23 June 30, 2019, the terms of the memorandum of understanding,
24 entered into between the division of tobacco use prevention
25 and control of the department of public health and the
26 alcoholic beverages division of the department of commerce,
27 governing compliance checks conducted to ensure licensed retail
28 tobacco outlet conformity with tobacco laws, regulations, and
29 ordinances relating to persons under 18 years of age, shall
30 continue to restrict the number of such checks to one check per
31 retail outlet, and one additional check for any retail outlet
32 found to be in violation during the first check.

33 b. Of the funds appropriated in this subsection,
34 \$10,482,303 shall be used for problem gambling and
35 substance-related disorder prevention, treatment, and recovery

1 services, including a 24-hour helpline, public information
2 resources, professional training, youth prevention, and program
3 evaluation.

4 c. The requirement of section 123.17, subsection 5, is met
5 by the appropriations and allocations made in this division of
6 this Act for purposes of substance-related disorder treatment
7 and addictive disorders for the fiscal year beginning July 1,
8 2018.

9 2. HEALTHY CHILDREN AND FAMILIES

10 For promoting the optimum health status for children,
11 adolescents from birth through 21 years of age, and families,
12 and for not more than the following full-time equivalent
13 positions:

14	\$	2,662,816
15	FTEs	12.00

16 a. Of the funds appropriated in this subsection, not more
17 than \$367,420 shall be used for the healthy opportunities for
18 parents to experience success (HOPES)-healthy families Iowa
19 (HFI) program established pursuant to [section 135.106](#). The
20 funding shall be distributed to renew the grants that were
21 provided to the grantees that operated the program during the
22 fiscal year ending June 30, 2018.

23 b. In order to implement the legislative intent stated in
24 sections [135.106](#) and [256I.9](#), that priority for home visitation
25 program funding be given to programs using evidence-based or
26 promising models for home visitation, it is the intent of the
27 general assembly to phase in the funding priority in accordance
28 with [2012 Iowa Acts, chapter 1133, section 2, subsection 2](#),
29 paragraph "0b".

30 c. Of the funds appropriated in this subsection, \$1,537,550
31 shall be used for continuation of the department's initiative
32 to provide for adequate developmental surveillance and
33 screening during a child's first five years. The funds shall
34 be used first to fully fund the current sites to ensure that
35 the sites are fully operational, with the remaining funds

1 to be used for expansion to additional sites. The full
2 implementation and expansion shall include enhancing the scope
3 of the initiative through collaboration with the child health
4 specialty clinics to promote healthy child development through
5 early identification and response to both biomedical and social
6 determinants of healthy development; by monitoring child
7 health metrics to inform practice, document long-term health
8 impacts and savings, and provide for continuous improvement
9 through training, education, and evaluation; and by providing
10 for practitioner consultation particularly for children with
11 behavioral conditions and needs. The department of public
12 health shall also collaborate with the Iowa Medicaid enterprise
13 and the child health specialty clinics to integrate the
14 activities of the first five initiative into the establishment
15 of patient-centered medical homes, community utilities,
16 accountable care organizations, and other integrated care
17 models developed to improve health quality and population
18 health while reducing health care costs. To the maximum extent
19 possible, funding allocated in this paragraph shall be utilized
20 as matching funds for medical assistance program reimbursement.

21 d. Of the funds appropriated in this subsection, \$32,320
22 shall be distributed to a statewide dental carrier to provide
23 funds to continue the donated dental services program patterned
24 after the projects developed by the lifeline network to provide
25 dental services to indigent individuals who are elderly or with
26 disabilities.

27 e. Of the funds appropriated in this subsection, \$78,241
28 shall be used to provide audiological services and hearing
29 aids for children. The department may enter into a contract
30 to administer this paragraph.

31 f. Of the funds appropriated in this subsection, \$11,500 is
32 transferred to the university of Iowa college of dentistry for
33 provision of primary dental services to children. State funds
34 shall be matched on a dollar-for-dollar basis. The university
35 of Iowa college of dentistry shall coordinate efforts with the

1 department of public health, bureau of oral and health delivery
2 systems, to provide dental care to underserved populations
3 throughout the state.

4 g. Of the funds appropriated in this subsection, \$25,000
5 shall be used to address youth suicide prevention.

6 h. Of the funds appropriated in this subsection, \$20,255
7 shall be used to support the Iowa effort to address the survey
8 of children who experience adverse childhood experiences known
9 as ACEs.

10 i. The department of public health shall continue to
11 administer the program to assist parents in this state with
12 costs resulting from the death of a child in accordance with
13 the provisions of 2014 Iowa Acts, chapter 1140, section 22,
14 subsection 12.

15 3. CHRONIC CONDITIONS

16 For serving individuals identified as having chronic
17 conditions or special health care needs, and for not more than
18 the following full-time equivalent positions:

19	\$	2,085,375
20	FTEs	5.00

21 a. Of the funds appropriated in this subsection, \$76,877
22 shall be used for grants to individual patients who have an
23 inherited metabolic disorder to assist with the costs of
24 medically necessary foods and formula.

25 b. Of the funds appropriated in this subsection, \$510,397
26 shall be used for the brain injury services program pursuant
27 to section 135.22B, including for contracting with an existing
28 nationally affiliated and statewide organization whose purpose
29 is to educate, serve, and support Iowans with brain injury and
30 their families for resource facilitator services in accordance
31 with section 135.22B, subsection 9, and for contracting to
32 enhance brain injury training and recruitment of service
33 providers on a statewide basis. Of the amount allocated in
34 this paragraph, \$47,500 shall be used to fund one full-time
35 equivalent position to serve as the state brain injury services

1 program manager.

2 c. Of the funds appropriated in this subsection, \$72,048
3 shall be used for the public purpose of continuing to contract
4 with an existing national-affiliated organization to provide
5 education, client-centered programs, and client and family
6 support for people living with epilepsy and their families.
7 The amount allocated in this paragraph in excess of \$50,000
8 shall be matched dollar-for-dollar by the organization
9 specified.

10 d. Of the funds appropriated in this subsection, \$404,775
11 shall be used for child health specialty clinics.

12 e. Of the funds appropriated in this subsection, \$192,276
13 shall be used by the regional autism assistance program
14 established pursuant to [section 256.35](#), and administered by
15 the child health specialty clinic located at the university of
16 Iowa hospitals and clinics. The funds shall be used to enhance
17 interagency collaboration and coordination of educational,
18 medical, and other human services for persons with autism,
19 their families, and providers of services, including delivering
20 regionalized services of care coordination, family navigation,
21 and integration of services through the statewide system of
22 regional child health specialty clinics and fulfilling other
23 requirements as specified in [chapter 225D](#). The university of
24 Iowa shall not receive funds allocated under this paragraph for
25 indirect costs associated with the regional autism assistance
26 program.

27 f. Of the funds appropriated in this subsection, \$288,687
28 shall be used for the comprehensive cancer control program to
29 reduce the burden of cancer in Iowa through prevention, early
30 detection, effective treatment, and ensuring quality of life.
31 Of the funds allocated in this paragraph "f", \$75,000 shall
32 be used to support a melanoma research symposium, a melanoma
33 biorepository and registry, basic and translational melanoma
34 research, and clinical trials.

35 g. Of the funds appropriated in this subsection, \$48,766

1 shall be used for cervical and colon cancer screening, and
 2 \$88,860 shall be used to enhance the capacity of the cervical
 3 cancer screening program to include provision of recommended
 4 prevention and early detection measures to a broader range of
 5 low-income women.

6 h. Of the funds appropriated in this subsection, \$253,177
 7 shall be used for the center for congenital and inherited
 8 disorders.

9 i. Of the funds appropriated in this subsection,
 10 \$107,631 shall be used by the department of public health
 11 for reform-related activities, including but not limited to
 12 facilitation of communication to stakeholders at the state and
 13 local level, administering the patient-centered health advisory
 14 council pursuant to [section 135.159](#), and involvement in health
 15 care system innovation activities occurring across the state.

16 j. Of the funds appropriated in this subsection, \$11,050
 17 shall be used for administration of [chapter 124D](#), the medical
 18 cannabidiol Act.

19 4. COMMUNITY CAPACITY

20 For strengthening the health care delivery system at the
 21 local level, and for not more than the following full-time
 22 equivalent positions:

23	\$	1,453,888
24	FTEs	13.00

25 a. Of the funds appropriated in this subsection, \$47,787
 26 is allocated for continuation of the child vision screening
 27 program implemented through the university of Iowa hospitals
 28 and clinics in collaboration with early childhood Iowa areas.
 29 The program shall submit a report to the individuals identified
 30 in this Act for submission of reports regarding the use of
 31 funds allocated under this paragraph "a". The report shall
 32 include the objectives and results for the program year
 33 including the target population and how the funds allocated
 34 assisted the program in meeting the objectives; the number,
 35 age, and location within the state of individuals served;

1 the type of services provided to the individuals served; the
2 distribution of funds based on service provided; and the
3 continuing needs of the program.

4 b. Of the funds appropriated in this subsection, \$52,828 is
5 allocated for continuation of an initiative implemented at the
6 university of Iowa to expand and improve the workforce engaged
7 in mental health treatment and services. The initiative shall
8 receive input from the university of Iowa, the department of
9 human services, the department of public health, and the mental
10 health and disability services commission to address the focus
11 of the initiative.

12 c. Of the funds appropriated in this section, \$41,657 shall
13 be deposited in the governmental public health system fund
14 created in [section 135A.8](#) to be used for the purposes of the
15 fund.

16 d. Of the funds appropriated in this subsection,
17 \$24,034 shall be used for a grant to a statewide association
18 of psychologists that is affiliated with the American
19 psychological association to be used for continuation of a
20 program to rotate intern psychologists in placements in urban
21 and rural mental health professional shortage areas, as defined
22 in [section 135.180](#).

23 e. Of the funds appropriated in this subsection, the
24 following amounts are allocated to be used as follows to
25 support the Iowa collaborative safety net provider network
26 goals of increased access, health system integration, and
27 engagement.

28 (1) Not less than \$260,931 is allocated to the Iowa
29 prescription drug corporation for continuation of the
30 pharmaceutical infrastructure for safety net providers as
31 described in [2007 Iowa Acts, chapter 218, section 108](#), and for
32 the prescription drug donation repository program created in
33 chapter 135M.

34 (2) Not less than \$167,435 is allocated to free clinics and
35 free clinics of Iowa for necessary infrastructure, statewide

1 coordination, provider recruitment, service delivery, and
2 provision of assistance to patients in securing a medical home
3 inclusive of oral health care.

4 (3) Not less than \$12,500 is allocated to the Iowa
5 association of rural health clinics for necessary
6 infrastructure and service delivery transformation.

7 (4) Not less than \$50,000 is allocated to the Polk county
8 medical society for continuation of the safety net provider
9 patient access to a specialty health care initiative as
10 described in 2007 Iowa Acts, chapter 218, section 109.

11 f. Of the funds appropriated in this subsection,
12 \$38,115 shall be used by the department in implementing
13 the recommendations in the final report submitted by the
14 direct care worker advisory council to the governor and the
15 general assembly in March 2012, including by continuing to
16 develop, promote, and make available on a statewide basis the
17 prepare-to-care core curriculum and its associated modules
18 and specialties through various formats including online
19 access, community colleges, and other venues; exploring new and
20 maintaining existing specialties including but not limited to
21 oral health and dementia care; supporting instructor training;
22 and assessing and making recommendations concerning the Iowa
23 care book and information technology systems and infrastructure
24 uses and needs.

25 g. Of the funds appropriated in this subsection, \$95,594
26 shall be allocated for continuation of the contract with
27 an independent statewide direct care worker organization
28 previously selected through a request for proposals process.
29 The contract shall continue to include performance and outcomes
30 measures, and shall continue to allow the contractor to use a
31 portion of the funds received under the contract to collect
32 data to determine results based on the performance and outcomes
33 measures.

34 h. Of the funds appropriated in this subsection, the
35 department may use up to \$29,087 for up to one full-time

1 equivalent position to administer the volunteer health care
2 provider program pursuant to [section 135.24](#).

3 i. Of the funds appropriated in this subsection, \$48,069
4 shall be used for a matching dental education loan repayment
5 program to be allocated to a dental nonprofit health service
6 corporation to continue to develop the criteria and implement
7 the loan repayment program.

8 j. Of the funds appropriated in this subsection, \$26,455 is
9 transferred to the college student aid commission for deposit
10 in the rural Iowa primary care trust fund created in section
11 261.113 to be used for the purposes of the fund.

12 k. Of the funds appropriated in this subsection, \$75,000
13 shall be used for the purposes of the Iowa donor registry as
14 specified in [section 142C.18](#).

15 l. Of the funds appropriated in this subsection, \$48,069
16 shall be used for continuation of a grant to a nationally
17 affiliated volunteer eye organization that has an established
18 program for children and adults and that is solely dedicated to
19 preserving sight and preventing blindness through education,
20 nationally certified vision screening and training, and
21 community and patient service programs. The organization
22 shall submit a report to the individuals identified in this
23 Act for submission of reports regarding the use of funds
24 allocated under this paragraph "l". The report shall include
25 the objectives and results for the program year including
26 the target population and how the funds allocated assisted
27 the program in meeting the objectives; the number, age, and
28 location within the state of individuals served; the type of
29 services provided to the individuals served; the distribution
30 of funds based on services provided; and the continuing needs
31 of the program.

32 m. Of the funds appropriated in this subsection, \$436,327
33 shall be deposited in the medical residency training account
34 created in section 135.175, subsection 5, paragraph "a", and
35 is appropriated from the account to the department of public

1 health to be used for the purposes of the medical residency
2 training state matching grants program as specified in section
3 135.176.

4 5. ESSENTIAL PUBLIC HEALTH SERVICES

5 To provide public health services that reduce risks and
6 invest in promoting and protecting good health over the
7 course of a lifetime with a priority given to older Iowans and
8 vulnerable populations:

9 \$ 4,098,939

10 6. INFECTIOUS DISEASES

11 For reducing the incidence and prevalence of communicable
12 diseases, and for not more than the following full-time
13 equivalent positions:

14 \$ 823,213

15 FTEs 4.00

16 7. PUBLIC PROTECTION

17 For protecting the health and safety of the public through
18 establishing standards and enforcing regulations, and for not
19 more than the following full-time equivalent positions:

20 \$ 2,097,569

21 FTEs 138.00

22 a. Of the funds appropriated in this subsection, not more
23 than \$152,350 shall be credited to the emergency medical
24 services fund created in [section 135.25](#). Moneys in the
25 emergency medical services fund are appropriated to the
26 department to be used for the purposes of the fund.

27 b. Of the funds appropriated in this subsection, up
28 to \$121,630 shall be used for sexual violence prevention
29 programming through a statewide organization representing
30 programs serving victims of sexual violence through the
31 department's sexual violence prevention program, and for
32 continuation of a training program for sexual assault
33 response team (SART) members, including representatives of
34 law enforcement, victim advocates, prosecutors, and certified
35 medical personnel. The amount allocated in this paragraph "b"

1 shall not be used to supplant funding administered for other
2 sexual violence prevention or victims assistance programs.

3 c. Of the funds appropriated in this subsection, up to
4 \$287,813 shall be used for the state poison control center.
5 Pursuant to the directive under 2014 Iowa Acts, chapter
6 1140, section 102, the federal matching funds available to
7 the state poison control center from the department of human
8 services under the federal Children's Health Insurance Program
9 Reauthorization Act allotment shall be subject to the federal
10 administrative cap rule of 10 percent applicable to funding
11 provided under Tit. XXI of the federal Social Security Act and
12 included within the department's calculations of the cap.

13 d. Of the funds appropriated in this subsection, up to
14 \$258,491 shall be used for childhood lead poisoning provisions.

15 8. RESOURCE MANAGEMENT

16 For establishing and sustaining the overall ability of the
17 department to deliver services to the public, and for not more
18 than the following full-time equivalent positions:

19	\$	485,607
20	FTEs	4.00

21 9. MISCELLANEOUS PROVISIONS

22 The university of Iowa hospitals and clinics under the
23 control of the state board of regents shall not receive
24 indirect costs from the funds appropriated in this section.
25 The university of Iowa hospitals and clinics billings to the
26 department shall be on at least a quarterly basis.

27 10. GENERAL REDUCTION

28 For the period beginning July 1, 2018, and ending June 30,
29 2019, the department of public health, in consultation with
30 the department of management, shall identify and implement a
31 reduction in expenditures made from appropriations from the
32 general fund of the state to the department of public health in
33 the amount of \$640,683.

34 11. TRANSFERS

35 Notwithstanding section 8.39, for the fiscal year beginning

1 July 1, 2018, the department may transfer funds within or
 2 between any of the allocations or appropriations made in this
 3 division of this Act for the same fiscal year, to be used in
 4 accordance with departmental priorities as specified in the
 5 department's report to the general assembly submitted pursuant
 6 to 2016 Iowa Acts, chapter 1139, section 3. The department
 7 shall report any such transfers to the individuals specified
 8 in this Act for submission of reports. This subsection shall
 9 not be construed to prohibit the use of existing state transfer
 10 authority for other purposes.

11 DIVISION X

12 DEPARTMENT OF VETERANS AFFAIRS — FY 2018-2019

13 Sec. 43. DEPARTMENT OF VETERANS AFFAIRS. There is
 14 appropriated from the general fund of the state to the
 15 department of veterans affairs for the fiscal year beginning
 16 July 1, 2018, and ending June 30, 2019, the following amounts,
 17 or so much thereof as is necessary, to be used for the purposes
 18 designated:

19 1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

20 For salaries, support, maintenance, and miscellaneous
 21 purposes, and for not more than the following full-time
 22 equivalent positions:

23	\$	571,278
24	FTEs	15.00

25 2. IOWA VETERANS HOME

26 For salaries, support, maintenance, and miscellaneous
 27 purposes:

28	\$	3,614,070
----------	----	-----------

29 a. The Iowa veterans home billings involving the department
 30 of human services shall be submitted to the department on at
 31 least a monthly basis.

32 b. Within available resources and in conformance with
 33 associated state and federal program eligibility requirements,
 34 the Iowa veterans home may implement measures to provide
 35 financial assistance to or on behalf of veterans or their

1 spouses who are participating in the community reentry program.

2 c. The Iowa veterans home expenditure report shall be
3 submitted monthly to the legislative services agency.

4 d. The Iowa veterans home shall continue to include in the
5 annual discharge report applicant information and to provide
6 for the collection of demographic information including but not
7 limited to the number of individuals applying for admission and
8 admitted or denied admittance and the basis for the admission
9 or denial; the age, gender, and race of such individuals;
10 and the level of care for which such individuals applied for
11 admission including residential or nursing level of care.

12 3. HOME OWNERSHIP ASSISTANCE PROGRAM

13 For transfer to the Iowa finance authority for the
14 continuation of the home ownership assistance program for
15 persons who are or were eligible members of the armed forces of
16 the United States, pursuant to [section 16.54](#):

17 \$ 1,000,000

18 Sec. 44. LIMITATION OF COUNTY COMMISSIONS OF VETERAN
19 AFFAIRS FUND STANDING APPROPRIATIONS. Notwithstanding the
20 standing appropriation in [section 35A.16](#) for the fiscal year
21 beginning July 1, 2018, and ending June 30, 2019, the amount
22 appropriated from the general fund of the state pursuant to
23 that section for the following designated purposes shall not
24 exceed the following amount:

25 For the county commissions of veteran affairs fund under
26 section 35A.16:

27 \$ 473,962

28 DIVISION XI

29 DEPARTMENT OF HUMAN SERVICES — FY 2018-2019

30 Sec. 45. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK
31 GRANT. There is appropriated from the fund created in section
32 8.41 to the department of human services for the fiscal year
33 beginning July 1, 2018, and ending June 30, 2019, from moneys
34 received under the federal temporary assistance for needy
35 families (TANF) block grant pursuant to the federal Personal

1 Responsibility and Work Opportunity Reconciliation Act of 1996,
2 Pub. L. No. 104-193, and successor legislation, the following
3 amounts, or so much thereof as is necessary, to be used for the
4 purposes designated:

5 1. To be credited to the family investment program account
6 and used for assistance under the family investment program
7 under [chapter 239B](#):
8 \$ 2,556,231

9 2. To be credited to the family investment program account
10 and used for the job opportunities and basic skills (JOBS)
11 program and implementing family investment agreements in
12 accordance with [chapter 239B](#):
13 \$ 2,787,846

14 3. To be used for the family development and
15 self-sufficiency grant program in accordance with section
16 216A.107:
17 \$ 1,449,490

18 Notwithstanding [section 8.33](#), moneys appropriated in this
19 subsection that remain unencumbered or unobligated at the close
20 of the fiscal year shall not revert but shall remain available
21 for expenditure for the purposes designated until the close of
22 the succeeding fiscal year. However, unless such moneys are
23 encumbered or obligated on or before September 30, 2019, the
24 moneys shall revert.

25 4. For field operations:
26 \$ 15,648,116

27 5. For general administration:
28 \$ 1,872,000

29 6. For state child care assistance:
30 \$ 23,933,413

31 a. Of the funds appropriated in this subsection,
32 \$13,164,048 is transferred to the child care and development
33 block grant appropriation made by the Eighty-seventh General
34 Assembly, 2018 session, for the federal fiscal year beginning
35 October 1, 2018, and ending September 30, 2019. Of this

1 amount, \$100,000 shall be used for provision of educational
 2 opportunities to registered child care home providers in order
 3 to improve services and programs offered by this category
 4 of providers and to increase the number of providers. The
 5 department may contract with institutions of higher education
 6 or child care resource and referral centers to provide
 7 the educational opportunities. Allowable administrative
 8 costs under the contracts shall not exceed 5 percent. The
 9 application for a grant shall not exceed two pages in length.

10 b. Any funds appropriated in this subsection remaining
 11 unallocated shall be used for state child care assistance
 12 payments for families who are employed including but not
 13 limited to individuals enrolled in the family investment
 14 program.

15 7. For child and family services:

16 \$ 16,190,327

17 8. For child abuse prevention grants:

18 \$ 62,500

19 9. For pregnancy prevention grants on the condition that
 20 family planning services are funded:

21 \$ 965,033

22 Pregnancy prevention grants shall be awarded to programs
 23 in existence on or before July 1, 2018, if the programs have
 24 demonstrated positive outcomes. Grants shall be awarded to
 25 pregnancy prevention programs which are developed after July
 26 1, 2018, if the programs are based on existing models that
 27 have demonstrated positive outcomes. Grants shall comply with
 28 the requirements provided in 1997 Iowa Acts, chapter 208,
 29 section 14, subsections 1 and 2, including the requirement that
 30 grant programs must emphasize sexual abstinence. Priority in
 31 the awarding of grants shall be given to programs that serve
 32 areas of the state which demonstrate the highest percentage of
 33 unplanned pregnancies of females of childbearing age within the
 34 geographic area to be served by the grant.

35 10. For technology needs and other resources necessary

1 to meet federal welfare reform reporting, tracking, and case
2 management requirements:

3 \$ 518,593

4 11. a. Notwithstanding any provision to the contrary,
5 including but not limited to requirements in [section 8.41](#) or
6 provisions in 2017 or 2018 Iowa Acts regarding the receipt and
7 appropriation of federal block grants, federal funds from the
8 temporary assistance for needy families block grant received by
9 the state and not otherwise appropriated in this section and
10 remaining available for the fiscal year beginning July 1, 2018,
11 are appropriated to the department of human services to the
12 extent as may be necessary to be used in the following priority
13 order: the family investment program, for state child care
14 assistance program payments for families who are employed, and
15 for the family investment program share of costs to develop and
16 maintain a new, integrated eligibility determination system.
17 The federal funds appropriated in this paragraph "a" shall be
18 expended only after all other funds appropriated in subsection
19 1 for assistance under the family investment program, in
20 subsection 6 for child care assistance, or in subsection 10
21 for technology costs related to the family investment program,
22 as applicable, have been expended. For the purposes of this
23 subsection, the funds appropriated in subsection 6, paragraph
24 "a", for transfer to the child care and development block grant
25 appropriation are considered fully expended when the full
26 amount has been transferred.

27 b. The department shall, on a quarterly basis, advise the
28 legislative services agency and department of management of
29 the amount of funds appropriated in this subsection that was
30 expended in the prior quarter.

31 12. Of the amounts appropriated in this section, \$6,481,004
32 for the fiscal year beginning July 1, 2018, is transferred to
33 the appropriation of the federal social services block grant
34 made to the department of human services for that fiscal year.

35 13. For continuation of the program providing categorical

1 eligibility for the food assistance program as specified
 2 for the program in the section of this division of this Act
 3 relating to the family investment program account:

4 \$ 12,500

5 14. The department may transfer funds allocated in this
 6 section to the appropriations made in this division of this Act
 7 for the same fiscal year for general administration and field
 8 operations for resources necessary to implement and operate the
 9 services referred to in this section and those funded in the
 10 appropriation made in this division of this Act for the same
 11 fiscal year for the family investment program from the general
 12 fund of the state.

13 15. With the exception of moneys allocated under this
 14 section for the family development and self-sufficiency grant
 15 program, to the extent moneys allocated in this section are
 16 deemed by the department not to be necessary to support the
 17 purposes for which they are allocated, such moneys may be
 18 credited to the family investment program account as specified
 19 under subsection 1 of this section and used for the purposes of
 20 assistance under the family investment program under chapter
 21 239B in the same fiscal year.

22 Sec. 46. FAMILY INVESTMENT PROGRAM ACCOUNT.

23 1. Moneys credited to the family investment program (FIP)
 24 account for the fiscal year beginning July 1, 2018, and
 25 ending June 30, 2019, shall be used to provide assistance in
 26 accordance with [chapter 239B](#).

27 2. The department may use a portion of the moneys credited
 28 to the FIP account under this section as necessary for
 29 salaries, support, maintenance, and miscellaneous purposes.

30 3. The department may transfer funds allocated in
 31 subsection 4 to the appropriations made in this division of
 32 this Act for the same fiscal year for general administration
 33 and field operations for resources necessary to implement and
 34 operate the family investment program services referred to in
 35 this section and those funded in the appropriation made in this

1 division of this Act for the same fiscal year for the family
2 investment program from the general fund of the state.

3 4. Moneys appropriated in this division of this Act and
4 credited to the FIP account for the fiscal year beginning July
5 1, 2018, and ending June 30, 2019, are allocated as follows:

6 a. To be retained by the department of human services to
7 be used for coordinating with the department of human rights
8 to more effectively serve participants in FIP and other shared
9 clients and to meet federal reporting requirements under the
10 federal temporary assistance for needy families block grant:
11 \$ 10,000

12 b. To the department of human rights for staffing,
13 administration, and implementation of the family development
14 and self-sufficiency grant program in accordance with section
15 216A.107:
16 \$ 3,096,417

17 (1) Of the funds allocated for the family development
18 and self-sufficiency grant program in this paragraph "b",
19 not more than 5 percent of the funds shall be used for the
20 administration of the grant program.

21 (2) The department of human rights may continue to implement
22 the family development and self-sufficiency grant program
23 statewide during fiscal year 2018-2019.

24 (3) The department of human rights may engage in activities
25 to strengthen and improve family outcomes measures and
26 data collection systems under the family development and
27 self-sufficiency grant program.

28 c. For the diversion subaccount of the FIP account:
29 \$ 407,500

30 A portion of the moneys allocated for the subaccount may
31 be used for field operations, salaries, data management
32 system development, and implementation costs and support
33 deemed necessary by the director of human services in order to
34 administer the FIP diversion program. To the extent moneys
35 allocated in this paragraph "c" are deemed by the department

1 not to be necessary to support diversion activities, such
 2 moneys may be used for other efforts intended to increase
 3 engagement by family investment program participants in work,
 4 education, or training activities, or for the purposes of
 5 assistance under the family investment program in accordance
 6 with chapter 239B.

7 d. For the food assistance employment and training program:
 8 \$ 33,294

9 (1) The department shall apply the federal supplemental
 10 nutrition assistance program (SNAP) employment and training
 11 state plan in order to maximize to the fullest extent permitted
 12 by federal law the use of the 50 percent federal reimbursement
 13 provisions for the claiming of allowable federal reimbursement
 14 funds from the United States department of agriculture
 15 pursuant to the federal SNAP employment and training program
 16 for providing education, employment, and training services
 17 for eligible food assistance program participants, including
 18 but not limited to related dependent care and transportation
 19 expenses.

20 (2) The department shall continue the categorical federal
 21 food assistance program eligibility at 160 percent of the
 22 federal poverty level and continue to eliminate the asset test
 23 from eligibility requirements, consistent with federal food
 24 assistance program requirements. The department shall include
 25 as many food assistance households as is allowed by federal
 26 law. The eligibility provisions shall conform to all federal
 27 requirements including requirements addressing individuals who
 28 are incarcerated or otherwise ineligible.

29 e. For the JOBS program:
 30 \$ 6,761,645

31 5. Of the child support collections assigned under FIP,
 32 an amount equal to the federal share of support collections
 33 shall be credited to the child support recovery appropriation
 34 made in this division of this Act. Of the remainder of the
 35 assigned child support collections received by the child

1 support recovery unit, a portion shall be credited to the FIP
 2 account, a portion may be used to increase recoveries, and a
 3 portion may be used to sustain cash flow in the child support
 4 payments account. If as a consequence of the appropriations
 5 and allocations made in this section the resulting amounts
 6 are insufficient to sustain cash assistance payments and meet
 7 federal maintenance of effort requirements, the department
 8 shall seek supplemental funding. If child support collections
 9 assigned under FIP are greater than estimated or are otherwise
 10 determined not to be required for maintenance of effort, the
 11 state share of either amount may be transferred to or retained
 12 in the child support payments account.

13 6. The department may adopt emergency rules for the family
 14 investment, JOBS, food assistance, and medical assistance
 15 programs if necessary to comply with federal requirements.

16 Sec. 47. FAMILY INVESTMENT PROGRAM GENERAL FUND. There
 17 is appropriated from the general fund of the state to the
 18 department of human services for the fiscal year beginning July
 19 1, 2018, and ending June 30, 2019, the following amount, or
 20 so much thereof as is necessary, to be used for the purpose
 21 designated:

22 To be credited to the family investment program (FIP)
 23 account and used for family investment program assistance under
 24 chapter 239B:

25 \$ 21,502,240

26 1. Of the funds appropriated in this section, \$3,973,798 is
 27 allocated for the JOBS program.

28 2. Of the funds appropriated in this section, \$1,656,927 is
 29 allocated for the family development and self-sufficiency grant
 30 program.

31 3. Notwithstanding [section 8.39](#), for the fiscal year
 32 beginning July 1, 2018, if necessary to meet federal
 33 maintenance of effort requirements or to transfer federal
 34 temporary assistance for needy families block grant funding
 35 to be used for purposes of the federal social services block

1 grant or to meet cash flow needs resulting from delays in
 2 receiving federal funding or to implement, in accordance with
 3 this division of this Act, activities currently funded with
 4 juvenile court services, county, or community moneys and state
 5 moneys used in combination with such moneys; to comply with
 6 federal requirements; or to maximize the use of federal funds,
 7 the department of human services may transfer funds within or
 8 between any of the appropriations made in this division of this
 9 Act and appropriations in law for the federal social services
 10 block grant to the department for the following purposes,
 11 provided that the combined amount of state and federal
 12 temporary assistance for needy families block grant funding
 13 for each appropriation remains the same before and after the
 14 transfer:

- 15 a. For the family investment program.
- 16 b. For child care assistance.
- 17 c. For child and family services.
- 18 d. For field operations.
- 19 e. For general administration.

20 This subsection shall not be construed to prohibit the use
 21 of existing state transfer authority for other purposes. The
 22 department shall report any transfers made pursuant to this
 23 subsection to the legislative services agency.

24 4. Of the funds appropriated in this section, \$97,839 shall
 25 be used for continuation of a grant to an Iowa-based nonprofit
 26 organization with a history of providing tax preparation
 27 assistance to low-income Iowans in order to expand the usage of
 28 the earned income tax credit. The purpose of the grant is to
 29 supply this assistance to underserved areas of the state.

30 5. Of the funds appropriated in this section, \$30,000 shall
 31 be used for the continuation of an unfunded pilot project, as
 32 defined in 441 IAC 100.1, relating to parental obligations,
 33 in which the child support recovery unit participates, to
 34 support the efforts of a nonprofit organization committed
 35 to strengthening the community through youth development,

1 healthy living, and social responsibility headquartered in
 2 a county with a population over 350,000 according to the
 3 latest certified federal census. The funds allocated in this
 4 subsection shall be used by the recipient organization to
 5 develop a larger community effort, through public and private
 6 partnerships, to support a broad-based multi-county fatherhood
 7 initiative that promotes payment of child support obligations,
 8 improved family relationships, and full-time employment.

9 6. The department may transfer funds appropriated in this
 10 section to the appropriations made in this division of this Act
 11 for general administration and field operations as necessary
 12 to administer this section and the overall family investment
 13 program.

14 Sec. 48. CHILD SUPPORT RECOVERY. There is appropriated
 15 from the general fund of the state to the department of human
 16 services for the fiscal year beginning July 1, 2018, and ending
 17 June 30, 2019, the following amount, or so much thereof as is
 18 necessary, to be used for the purposes designated:

19 For child support recovery, including salaries, support,
 20 maintenance, and miscellaneous purposes, and for not more than
 21 the following full-time equivalent positions:

22	\$	6,293,317
23	FTEs	459.00

24 1. The department shall expend up to \$12,164, including
 25 federal financial participation, for the fiscal year beginning
 26 July 1, 2018, for a child support public awareness campaign.
 27 The department and the office of the attorney general shall
 28 cooperate in continuation of the campaign. The public
 29 awareness campaign shall emphasize, through a variety of
 30 media activities, the importance of maximum involvement of
 31 both parents in the lives of their children as well as the
 32 importance of payment of child support obligations.

33 2. Federal access and visitation grant moneys shall be
 34 issued directly to private not-for-profit agencies that provide
 35 services designed to increase compliance with the child access

1 provisions of court orders, including but not limited to
2 neutral visitation sites and mediation services.

3 3. The appropriation made to the department for child
4 support recovery may be used throughout the fiscal year in the
5 manner necessary for purposes of cash flow management, and for
6 cash flow management purposes the department may temporarily
7 draw more than the amount appropriated, provided the amount
8 appropriated is not exceeded at the close of the fiscal year.

9 4. With the exception of the funding amount specified, the
10 requirements established under 2001 Iowa Acts, chapter 191,
11 section 3, subsection 5, paragraph "c", subparagraph (3), shall
12 be applicable to parental obligation pilot projects for the
13 fiscal year beginning July 1, 2018, and ending June 30, 2019.
14 Notwithstanding 441 IAC 100.8, providing for termination of
15 rules relating to the pilot projects, the rules shall remain
16 in effect until June 30, 2019.

17 Sec. 49. HEALTH CARE TRUST FUND — MEDICAL ASSISTANCE —
18 FY 2018-2019. Any funds remaining in the health care trust
19 fund created in [section 453A.35A](#) for the fiscal year beginning
20 July 1, 2018, and ending June 30, 2019, are appropriated to
21 the department of human services to supplement the medical
22 assistance program appropriations made in this division of this
23 Act, for medical assistance reimbursement and associated costs,
24 including program administration and costs associated with
25 program implementation.

26 Sec. 50. MEDICAID FRAUD FUND — MEDICAL ASSISTANCE — FY
27 2018-2019. Any funds remaining in the Medicaid fraud fund
28 created in [section 249A.50](#) for the fiscal year beginning
29 July 1, 2018, and ending June 30, 2019, are appropriated to
30 the department of human services to supplement the medical
31 assistance appropriations made in this division of this Act,
32 for medical assistance reimbursement and associated costs,
33 including program administration and costs associated with
34 program implementation.

35 Sec. 51. MEDICAL ASSISTANCE. There is appropriated from the

1 general fund of the state to the department of human services
2 for the fiscal year beginning July 1, 2018, and ending June 30,
3 2019, the following amount, or so much thereof as is necessary,
4 to be used for the purpose designated:

5 For medical assistance program reimbursement and associated
6 costs as specifically provided in the reimbursement
7 methodologies in effect on June 30, 2018, except as otherwise
8 expressly authorized by law, consistent with options under
9 federal law and regulations, and contingent upon receipt of
10 approval from the office of the governor of reimbursement for
11 each abortion performed under the program:

12 \$642,202,870

13 1. Iowans support reducing the number of abortions
14 performed in our state. Funds appropriated under this section
15 shall not be used for abortions, unless otherwise authorized
16 under this section.

17 2. The provisions of this section relating to abortions
18 shall also apply to the Iowa health and wellness plan created
19 pursuant to [chapter 249N](#).

20 3. The department shall utilize not more than \$30,000 of
21 the funds appropriated in this section to continue the AIDS/HIV
22 health insurance premium payment program as established in 1992
23 Iowa Acts, Second Extraordinary Session, chapter 1001, section
24 409, subsection 6. Of the funds allocated in this subsection,
25 not more than \$2,500 may be expended for administrative
26 purposes.

27 4. Of the funds appropriated in this Act to the department
28 of public health for addictive disorders, \$475,000 for
29 the fiscal year beginning July 1, 2018, is transferred
30 to the department of human services for an integrated
31 substance-related disorder managed care system. The
32 departments of human services and public health shall
33 work together to maintain the level of mental health and
34 substance-related disorder treatment services provided by the
35 managed care contractors. Each department shall take the steps

1 necessary to continue the federal waivers as necessary to
2 maintain the level of services.

3 5. a. The department shall aggressively pursue options for
4 providing medical assistance or other assistance to individuals
5 with special needs who become ineligible to continue receiving
6 services under the early and periodic screening, diagnostic,
7 and treatment program under the medical assistance program
8 due to becoming 21 years of age who have been approved for
9 additional assistance through the department's exception to
10 policy provisions, but who have health care needs in excess
11 of the funding available through the exception to policy
12 provisions.

13 b. Of the funds appropriated in this section, \$50,000
14 shall be used for participation in one or more pilot projects
15 operated by a private provider to allow the individual or
16 individuals to receive service in the community in accordance
17 with principles established in *Olmstead v. L.C.*, 527 U.S. 581
18 (1999), for the purpose of providing medical assistance or
19 other assistance to individuals with special needs who become
20 ineligible to continue receiving services under the early and
21 periodic screening, diagnostic, and treatment program under
22 the medical assistance program due to becoming 21 years of
23 age who have been approved for additional assistance through
24 the department's exception to policy provisions, but who have
25 health care needs in excess of the funding available through
26 the exception to the policy provisions.

27 6. Of the funds appropriated in this section, up to
28 \$1,525,041 may be transferred to the field operations or
29 general administration appropriations in this division of this
30 Act for operational costs associated with Part D of the federal
31 Medicare Prescription Drug Improvement and Modernization Act
32 of 2003, Pub. L. No. 108-173.

33 7. Of the funds appropriated in this section, up to \$221,050
34 may be transferred to the appropriation in this division
35 of this Act for medical contracts to be used for clinical

1 assessment services and prior authorization of services.

2 8. A portion of the funds appropriated in this section
3 may be transferred to the appropriations in this division of
4 this Act for general administration, medical contracts, the
5 children's health insurance program, or field operations to be
6 used for the state match cost to comply with the payment error
7 rate measurement (PERM) program for both the medical assistance
8 and children's health insurance programs as developed by the
9 centers for Medicare and Medicaid services of the United States
10 department of health and human services to comply with the
11 federal Improper Payments Information Act of 2002, Pub. L. No.
12 107-300.

13 9. The department shall continue to implement the
14 recommendations of the assuring better child health and
15 development initiative II (ABCDII) clinical panel to the
16 Iowa early and periodic screening, diagnostic, and treatment
17 services healthy mental development collaborative board
18 regarding changes to billing procedures, codes, and eligible
19 service providers.

20 10. Of the funds appropriated in this section, a sufficient
21 amount is allocated to supplement the incomes of residents of
22 nursing facilities, intermediate care facilities for persons
23 with mental illness, and intermediate care facilities for
24 persons with an intellectual disability, with incomes of less
25 than \$50 in the amount necessary for the residents to receive a
26 personal needs allowance of \$50 per month pursuant to section
27 249A.30A.

28 11. a. Hospitals that meet the conditions specified
29 in subparagraphs (1) and (2) shall either certify public
30 expenditures or transfer to the medical assistance program
31 an amount equal to provide the nonfederal share for a
32 disproportionate share hospital payment in an amount up to the
33 hospital-specific limit as approved in the Medicaid state plan.
34 The hospitals that meet the conditions specified shall receive
35 and retain 100 percent of the total disproportionate share

1 hospital payment in an amount up to the hospital-specific limit
2 as approved in the Medicaid state plan.

3 (1) The hospital qualifies for disproportionate share and
4 graduate medical education payments.

5 (2) The hospital is an Iowa state-owned hospital with more
6 than 500 beds and eight or more distinct residency specialty
7 or subspecialty programs recognized by the American college of
8 graduate medical education.

9 b. Distribution of the disproportionate share payments
10 shall be made on a monthly basis. The total amount of
11 disproportionate share payments including graduate medical
12 education, enhanced disproportionate share, and Iowa
13 state-owned teaching hospital payments shall not exceed the
14 amount of the state's allotment under Pub. L. No. 102-234.
15 In addition, the total amount of all disproportionate
16 share payments shall not exceed the hospital-specific
17 disproportionate share limits under Pub. L. No. 103-66.

18 12. One hundred percent of the nonfederal share of payments
19 to area education agencies that are medical assistance
20 providers for medical assistance-covered services provided to
21 medical assistance-covered children, shall be made from the
22 appropriation made in this section.

23 13. A portion of the funds appropriated in this section
24 may be transferred to the appropriation in this division of
25 this Act for medical contracts to be used for administrative
26 activities associated with the money follows the person
27 demonstration project.

28 14. Of the funds appropriated in this section, \$174,505
29 shall be used for the administration of the health insurance
30 premium payment program, including salaries, support,
31 maintenance, and miscellaneous purposes.

32 15. a. The department may increase the amounts allocated
33 for salaries, support, maintenance, and miscellaneous purposes
34 associated with the medical assistance program, as necessary,
35 to implement cost containment strategies. The department shall

1 report any such increase to the legislative services agency and
2 the department of management.

3 b. If the savings to the medical assistance program from
4 cost containment efforts exceed the cost for the fiscal
5 year beginning July 1, 2018, the department may transfer any
6 savings generated for the fiscal year due to medical assistance
7 program cost containment efforts to the appropriation
8 made in this division of this Act for medical contracts or
9 general administration to defray the increased contract costs
10 associated with implementing such efforts.

11 16. For the fiscal year beginning July 1, 2018, and ending
12 June 30, 2019, the replacement generation tax revenues required
13 to be deposited in the property tax relief fund pursuant to
14 section 437A.8, subsection 4, paragraph "d", and section
15 437A.15, subsection 3, paragraph "f", shall instead be credited
16 to and supplement the appropriation made in this section and
17 used for the allocations made in this section.

18 17. a. Of the funds appropriated in this section, up
19 to \$25,000 may be transferred by the department to the
20 appropriation made in this division of this Act to the
21 department for the same fiscal year for general administration
22 to be used for associated administrative expenses and for not
23 more than one full-time equivalent position, in addition to
24 those authorized for the same fiscal year, to be assigned to
25 implementing the children's mental health home project.

26 b. Of the funds appropriated in this section, up to \$200,000
27 may be transferred by the department to the appropriation made
28 to the department in this division of this Act for the same
29 fiscal year for Medicaid program-related general administration
30 planning and implementation activities. The funds may be used
31 for contracts or for personnel in addition to the amounts
32 appropriated for and the positions authorized for general
33 administration for the fiscal year.

34 c. Of the funds appropriated in this section, up to
35 \$1,500,000 may be transferred by the department to the

1 appropriations made in this division of this Act for the same
2 fiscal year for general administration or medical contracts
3 to be used to support the development and implementation of
4 standardized assessment tools for persons with mental illness,
5 an intellectual disability, a developmental disability, or a
6 brain injury.

7 18. Of the funds appropriated in this section, \$75,000
8 shall be used for lodging expenses associated with care
9 provided at the university of Iowa hospitals and clinics for
10 patients with cancer whose travel distance is 30 miles or more
11 and whose income is at or below 200 percent of the federal
12 poverty level as defined by the most recently revised poverty
13 income guidelines published by the United States department of
14 health and human services. The department of human services
15 shall establish the maximum number of overnight stays and the
16 maximum rate reimbursed for overnight lodging, which may be
17 based on the state employee rate established by the department
18 of administrative services. The funds allocated in this
19 subsection shall not be used as nonfederal share matching
20 funds.

21 19. Of the funds appropriated in this section, up to
22 \$1,691,940 shall be used for administration of the state
23 family planning services program as enacted in this 2017 Act,
24 and of this amount the department may use to up \$100,000 for
25 administrative expenses.

26 20. The department shall report the implementation of
27 any cost containment strategies to the individuals specified
28 in this division of this Act for submission of reports upon
29 implementation.

30 21. The department shall report the implementation of any
31 process improvement changes and any related cost reductions
32 to the individuals specified in this division of this Act for
33 submission of reports upon implementation.

34 Sec. 52. MEDICAL CONTRACTS. There is appropriated from the
35 general fund of the state to the department of human services

1 for the fiscal year beginning July 1, 2018, and ending June 30,
2 2019, the following amount, or so much thereof as is necessary,
3 to be used for the purpose designated:

4 For medical contracts:

5 \$ 8,813,232

6 1. The department of inspections and appeals shall
7 provide all state matching funds for survey and certification
8 activities performed by the department of inspections
9 and appeals. The department of human services is solely
10 responsible for distributing the federal matching funds for
11 such activities.

12 2. Of the funds appropriated in this section, \$25,000 shall
13 be used for continuation of home and community-based services
14 waiver quality assurance programs, including the review and
15 streamlining of processes and policies related to oversight and
16 quality management to meet state and federal requirements.

17 3. Of the amount appropriated in this section, up to
18 \$100,000 may be transferred to the appropriation for general
19 administration in this division of this Act to be used for
20 additional full-time equivalent positions in the development of
21 key health initiatives such as cost containment, development
22 and oversight of managed care programs, and development of
23 health strategies targeted toward improved quality and reduced
24 costs in the Medicaid program.

25 4. Of the funds appropriated in this section, \$500,000 shall
26 be used for planning and development, in cooperation with the
27 department of public health, of a phased-in program to provide
28 a dental home for children.

29 5. Of the funds appropriated in this section, \$475,000
30 shall be credited to the autism support program fund created
31 in section 225D.2 to be used for the autism support program
32 created in [chapter 225D](#), with the exception of the following
33 amounts of this allocation which shall be used as follows:

34 a. Of the funds allocated in this subsection, \$125,000
35 shall be deposited in the board-certified behavior analyst and

1 board-certified assistant behavior analyst grants program fund
2 created in [section 135.181](#), to be used for the purposes of the
3 fund.

4 b. Of the funds allocated in this subsection, \$12,500
5 shall be used for the public purpose of continuation of a
6 grant to a child welfare services provider headquartered in a
7 county with a population between 205,000 and 215,000 in the
8 latest certified federal census that provides multiple services
9 including but not limited to a psychiatric medical institution
10 for children, shelter, residential treatment, after school
11 programs, school-based programming, and an Asperger's syndrome
12 program, to be used for support services for children with
13 autism spectrum disorder and their families.

14 c. Of the funds allocated in this subsection, \$12,500
15 shall be used for the public purpose of continuing a grant to
16 a hospital-based provider headquartered in a county with a
17 population between 90,000 and 95,000 in the latest certified
18 federal census that provides multiple services including
19 but not limited to diagnostic, therapeutic, and behavioral
20 services to individuals with autism spectrum disorder across
21 one's lifespan. The grant recipient shall utilize the funds
22 to continue the pilot project to determine the necessary
23 support services for children with autism spectrum disorder and
24 their families to be included in the children's disabilities
25 services system. The grant recipient shall submit findings and
26 recommendations based upon the results of the pilot project
27 to the individuals specified in this division of this Act for
28 submission of reports by December 31, 2018.

29 Sec. 53. STATE SUPPLEMENTARY ASSISTANCE.

30 1. There is appropriated from the general fund of the
31 state to the department of human services for the fiscal year
32 beginning July 1, 2018, and ending June 30, 2019, the following
33 amount, or so much thereof as is necessary, to be used for the
34 purpose designated:

35 For the state supplementary assistance program:

1 \$ 5,186,329

2 2. The department shall increase the personal needs
3 allowance for residents of residential care facilities by the
4 same percentage and at the same time as federal supplemental
5 security income and federal social security benefits are
6 increased due to a recognized increase in the cost of living.
7 The department may adopt emergency rules to implement this
8 subsection.

9 3. If during the fiscal year beginning July 1, 2018,
10 the department projects that state supplementary assistance
11 expenditures for a calendar year will not meet the federal
12 pass-through requirement specified in Tit. XVI of the federal
13 Social Security Act, section 1618, as codified in 42 U.S.C.
14 §1382g, the department may take actions including but not
15 limited to increasing the personal needs allowance for
16 residential care facility residents and making programmatic
17 adjustments or upward adjustments of the residential care
18 facility or in-home health-related care reimbursement rates
19 prescribed in this division of this Act to ensure that federal
20 requirements are met. In addition, the department may make
21 other programmatic and rate adjustments necessary to remain
22 within the amount appropriated in this section while ensuring
23 compliance with federal requirements. The department may adopt
24 emergency rules to implement the provisions of this subsection.

25 Sec. 54. CHILDREN'S HEALTH INSURANCE PROGRAM.

26 1. There is appropriated from the general fund of the
27 state to the department of human services for the fiscal year
28 beginning July 1, 2018, and ending June 30, 2019, the following
29 amount, or so much thereof as is necessary, to be used for the
30 purpose designated:

31 For maintenance of the healthy and well kids in Iowa (hawk-i)
32 program pursuant to [chapter 514I](#), including supplemental dental
33 services, for receipt of federal financial participation under
34 Tit. XXI of the federal Social Security Act, which creates the
35 children's health insurance program:

1 \$ 4,259,226

2 2. Of the funds appropriated in this section, \$21,400 is
3 allocated for continuation of the contract for outreach with
4 the department of public health.

5 Sec. 55. CHILD CARE ASSISTANCE. There is appropriated
6 from the general fund of the state to the department of human
7 services for the fiscal year beginning July 1, 2018, and ending
8 June 30, 2019, the following amount, or so much thereof as is
9 necessary, to be used for the purpose designated:

10 For child care programs:

11 \$ 19,671,808

12 1. Of the funds appropriated in this section, \$16,746,808
13 shall be used for state child care assistance in accordance
14 with [section 237A.13](#).

15 2. Nothing in this section shall be construed or is
16 intended as or shall imply a grant of entitlement for services
17 to persons who are eligible for assistance due to an income
18 level consistent with the waiting list requirements of section
19 237A.13. Any state obligation to provide services pursuant to
20 this section is limited to the extent of the funds appropriated
21 in this section.

22 3. A list of the registered and licensed child care
23 facilities operating in the area served by a child care
24 resource and referral service shall be made available to the
25 families receiving state child care assistance in that area.

26 4. Of the funds appropriated in this section, \$2,925,000
27 shall be credited to the early childhood programs grants
28 account in the early childhood Iowa fund created in section
29 256I.11. The moneys shall be distributed for funding of
30 community-based early childhood programs targeted to children
31 from birth through five years of age developed by early
32 childhood Iowa areas in accordance with approved community
33 plans as provided in [section 256I.8](#).

34 5. The department may use any of the funds appropriated
35 in this section as a match to obtain federal funds for use in

1 expanding child care assistance and related programs. For
2 the purpose of expenditures of state and federal child care
3 funding, funds shall be considered obligated at the time
4 expenditures are projected or are allocated to the department's
5 service areas. Projections shall be based on current and
6 projected caseload growth, current and projected provider
7 rates, staffing requirements for eligibility determination
8 and management of program requirements including data systems
9 management, staffing requirements for administration of the
10 program, contractual and grant obligations and any transfers
11 to other state agencies, and obligations for decategorization
12 or innovation projects.

13 6. A portion of the state match for the federal child care
14 and development block grant shall be provided as necessary to
15 meet federal matching funds requirements through the state
16 general fund appropriation made for child development grants
17 and other programs for at-risk children in [section 279.51](#).

18 7. If a uniform reduction ordered by the governor under
19 section 8.31 or other operation of law, transfer, or federal
20 funding reduction reduces the appropriation made in this
21 section for the fiscal year, the percentage reduction in the
22 amount paid out to or on behalf of the families participating
23 in the state child care assistance program shall be equal to or
24 less than the percentage reduction made for any other purpose
25 payable from the appropriation made in this section and the
26 federal funding relating to it. The percentage reduction to
27 the other allocations made in this section shall be the same as
28 the uniform reduction ordered by the governor or the percentage
29 change of the federal funding reduction, as applicable.

30 If there is an unanticipated increase in federal funding
31 provided for state child care assistance, the entire amount
32 of the increase shall be used for state child care assistance
33 payments. If the appropriations made for purposes of the
34 state child care assistance program for the fiscal year are
35 determined to be insufficient, it is the intent of the general

1 assembly to appropriate sufficient funding for the fiscal year
2 in order to avoid establishment of waiting list requirements.

3 8. Notwithstanding [section 8.33](#), moneys advanced for
4 purposes of the programs developed by early childhood Iowa
5 areas, advanced for purposes of wraparound child care, or
6 received from the federal appropriations made for the purposes
7 of this section that remain unencumbered or unobligated at the
8 close of the fiscal year shall not revert to any fund but shall
9 remain available for expenditure for the purposes designated
10 until the close of the succeeding fiscal year.

11 Sec. 56. JUVENILE INSTITUTION. There is appropriated
12 from the general fund of the state to the department of human
13 services for the fiscal year beginning July 1, 2018, and ending
14 June 30, 2019, the following amounts, or so much thereof as is
15 necessary, to be used for the purposes designated:

16 1. For operation of the state training school at Eldora and
17 for salaries, support, maintenance, and miscellaneous purposes,
18 and for not more than the following full-time equivalent
19 positions:

20	\$	5,675,221
21	FTEs	189.00

22 Of the funds appropriated in this subsection, \$45,575 shall
23 be used for distribution to licensed classroom teachers at this
24 and other institutions under the control of the department of
25 human services based upon the average student yearly enrollment
26 at each institution as determined by the department.

27 2. A portion of the moneys appropriated in this section
28 shall be used by the state training school at Eldora for
29 grants for adolescent pregnancy prevention activities at the
30 institution in the fiscal year beginning July 1, 2018.

31 Sec. 57. CHILD AND FAMILY SERVICES.

32 1. There is appropriated from the general fund of the
33 state to the department of human services for the fiscal year
34 beginning July 1, 2018, and ending June 30, 2019, the following
35 amount, or so much thereof as is necessary, to be used for the

1 purpose designated:

2 For child and family services:

3 \$ 43,639,687

4 2. The department may transfer funds appropriated in this
5 section as necessary to pay the nonfederal costs of services
6 reimbursed under the medical assistance program, state child
7 care assistance program, or the family investment program which
8 are provided to children who would otherwise receive services
9 paid under the appropriation in this section. The department
10 may transfer funds appropriated in this section to the
11 appropriations made in this division of this Act for general
12 administration and for field operations for resources necessary
13 to implement and operate the services funded in this section.

14 3. a. Of the funds appropriated in this section, up to
15 \$17,868,324 is allocated as the statewide expenditure target
16 under [section 232.143](#) for group foster care maintenance and
17 services. If the department projects that such expenditures
18 for the fiscal year will be less than the target amount
19 allocated in this paragraph "a", the department may reallocate
20 the excess to provide additional funding for shelter care
21 or the child welfare emergency services addressed with the
22 allocation for shelter care.

23 b. If at any time after September 30, 2018, annualization
24 of a service area's current expenditures indicates a service
25 area is at risk of exceeding its group foster care expenditure
26 target under [section 232.143](#) by more than 5 percent, the
27 department and juvenile court services shall examine all
28 group foster care placements in that service area in order to
29 identify those which might be appropriate for termination.
30 In addition, any aftercare services believed to be needed
31 for the children whose placements may be terminated shall be
32 identified. The department and juvenile court services shall
33 initiate action to set dispositional review hearings for the
34 placements identified. In such a dispositional review hearing,
35 the juvenile court shall determine whether needed aftercare

1 services are available and whether termination of the placement
2 is in the best interest of the child and the community.

3 4. In accordance with the provisions of [section 232.188](#),
4 the department shall continue the child welfare and juvenile
5 justice funding initiative during fiscal year 2018-2019. Of
6 the funds appropriated in this section, \$858,876 is allocated
7 specifically for expenditure for fiscal year 2018-2019 through
8 the decategorization services funding pools and governance
9 boards established pursuant to [section 232.188](#).

10 5. A portion of the funds appropriated in this section
11 may be used for emergency family assistance to provide other
12 resources required for a family participating in a family
13 preservation or reunification project or successor project to
14 stay together or to be reunified.

15 6. Notwithstanding [section 234.35](#) or any other provision
16 of law to the contrary, state funding for shelter care and
17 the child welfare emergency services contracting implemented
18 to provide for or prevent the need for shelter care shall be
19 limited to \$4,048,079.

20 7. Federal funds received by the state during the fiscal
21 year beginning July 1, 2018, as the result of the expenditure
22 of state funds appropriated during a previous state fiscal
23 year for a service or activity funded under this section are
24 appropriated to the department to be used as additional funding
25 for services and purposes provided for under this section.
26 Notwithstanding [section 8.33](#), moneys received in accordance
27 with this subsection that remain unencumbered or unobligated at
28 the close of the fiscal year shall not revert to any fund but
29 shall remain available for the purposes designated until the
30 close of the succeeding fiscal year.

31 8. a. Of the funds appropriated in this section, up to
32 \$1,645,000 is allocated for the payment of the expenses of
33 court-ordered services provided to juveniles who are under
34 the supervision of juvenile court services, which expenses
35 are a charge upon the state pursuant to [section 232.141](#),

1 subsection 4. Of the amount allocated in this paragraph "a",
2 up to \$778,143 shall be made available to provide school-based
3 supervision of children adjudicated under [chapter 232](#), of which
4 not more than \$7,500 may be used for the purpose of training.
5 A portion of the cost of each school-based liaison officer
6 shall be paid by the school district or other funding source as
7 approved by the chief juvenile court officer.

8 b. Of the funds appropriated in this section, up to \$374,492
9 is allocated for the payment of the expenses of court-ordered
10 services provided to children who are under the supervision
11 of the department, which expenses are a charge upon the state
12 pursuant to [section 232.141, subsection 4](#).

13 c. Notwithstanding [section 232.141](#) or any other provision
14 of law to the contrary, the amounts allocated in this
15 subsection shall be distributed to the judicial districts
16 as determined by the state court administrator and to the
17 department's service areas as determined by the administrator
18 of the department of human services' division of child and
19 family services. The state court administrator and the
20 division administrator shall make the determination of the
21 distribution amounts on or before June 15, 2018.

22 d. Notwithstanding [chapter 232](#) or any other provision of
23 law to the contrary, a district or juvenile court shall not
24 order any service which is a charge upon the state pursuant
25 to [section 232.141](#) if there are insufficient court-ordered
26 services funds available in the district court or departmental
27 service area distribution amounts to pay for the service. The
28 chief juvenile court officer and the departmental service area
29 manager shall encourage use of the funds allocated in this
30 subsection such that there are sufficient funds to pay for
31 all court-related services during the entire year. The chief
32 juvenile court officers and departmental service area managers
33 shall attempt to anticipate potential surpluses and shortfalls
34 in the distribution amounts and shall cooperatively request the
35 state court administrator or division administrator to transfer

1 funds between the judicial districts' or departmental service
2 areas' distribution amounts as prudent.

3 e. Notwithstanding any provision of law to the contrary,
4 a district or juvenile court shall not order a county to pay
5 for any service provided to a juvenile pursuant to an order
6 entered under [chapter 232](#) which is a charge upon the state
7 under [section 232.141, subsection 4](#).

8 f. Of the funds allocated in this subsection, not more than
9 \$41,500 may be used by the judicial branch for administration
10 of the requirements under this subsection.

11 g. Of the funds allocated in this subsection, \$8,500
12 shall be used by the department of human services to support
13 the interstate commission for juveniles in accordance with
14 the interstate compact for juveniles as provided in section
15 232.173.

16 9. Of the funds appropriated in this section, \$6,126,613 is
17 allocated for juvenile delinquent graduated sanctions services.
18 Any state funds saved as a result of efforts by juvenile court
19 services to earn a federal Tit. IV-E match for juvenile court
20 services administration may be used for the juvenile delinquent
21 graduated sanctions services.

22 10. Of the funds appropriated in this section, \$829,142 is
23 transferred to the department of public health to be used for
24 the child protection center grant program for child protection
25 centers located in Iowa in accordance with [section 135.118](#).
26 The grant amounts under the program shall be equalized so that
27 each center receives a uniform base amount of \$122,500, so that
28 \$25,000 is awarded to establish a satellite child protection
29 center in a city in north central Iowa that is the county
30 seat of a county with a population between 44,000 and 45,000
31 according to the 2010 federal decennial census, and so that the
32 remaining funds are awarded through a funding formula based
33 upon the volume of children served.

34 11. If the department receives federal approval to
35 implement a waiver under Tit. IV-E of the federal Social

1 Security Act to enable providers to serve children who remain
2 in the children's families and communities, for purposes of
3 eligibility under the medical assistance program through 25
4 years of age, children who participate in the waiver shall be
5 considered to be placed in foster care.

6 12. Of the funds appropriated in this section, \$2,012,583 is
7 allocated for the preparation for adult living program pursuant
8 to [section 234.46](#).

9 13. Of the funds appropriated in this section, \$113,668
10 shall be used for the public purpose of continuing a grant to
11 a nonprofit human services organization providing services to
12 individuals and families in multiple locations in southwest
13 Iowa and Nebraska for support of a project providing immediate,
14 sensitive support and forensic interviews, medical exams, needs
15 assessments, and referrals for victims of child abuse and their
16 nonoffending family members.

17 14. Of the funds appropriated in this section, \$150,310
18 is allocated for the foster care youth council approach of
19 providing a support network to children placed in foster care.

20 15. Of the funds appropriated in this section, \$101,000 is
21 allocated for use pursuant to [section 235A.1](#) for continuation
22 of the initiative to address child sexual abuse implemented
23 pursuant to 2007 Iowa Acts, chapter 218, section 18, subsection
24 21.

25 16. Of the funds appropriated in this section, \$315,120 is
26 allocated for the community partnership for child protection
27 sites.

28 17. Of the funds appropriated in this section, \$185,625
29 is allocated for the department's minority youth and family
30 projects under the redesign of the child welfare system.

31 18. Of the funds appropriated in this section, \$568,297
32 is allocated for funding of the community circle of care
33 collaboration for children and youth in northeast Iowa.

34 19. Of the funds appropriated in this section, at least
35 \$73,579 shall be used for the continuation of the child

1 welfare provider training academy, a collaboration between the
2 coalition for family and children's services in Iowa and the
3 department.

4 20. Of the funds appropriated in this section, \$105,936
5 shall be used for continuation of the central Iowa system of
6 care program grant through June 30, 2019.

7 21. Of the funds appropriated in this section, \$117,500
8 shall be used for the public purpose of the continuation
9 and expansion of a system of care program grant implemented
10 in Cerro Gordo and Linn counties to utilize a comprehensive
11 and long-term approach for helping children and families by
12 addressing the key areas in a child's life of childhood basic
13 needs, education and work, family, and community.

14 22. Of the funds appropriated in this section, at least
15 \$12,500 shall be used to continue and to expand the foster
16 care respite pilot program in which postsecondary students in
17 social work and other human services-related programs receive
18 experience by assisting family foster care providers with
19 respite and other support.

20 23. Of the funds appropriated in this section, \$55,000
21 shall be used for the public purpose of funding community-based
22 services and other supports with a system of care approach
23 for children with a serious emotional disturbance and their
24 families through a nonprofit provider of child welfare services
25 that has been in existence for more than 115 years, is located
26 in a county with a population of more than 200,000 but less
27 than 220,000 according to the latest certified federal census,
28 is licensed as a psychiatric medical institution for children,
29 and was a system of care grantee prior to July 1, 2018.

30 Sec. 58. ADOPTION SUBSIDY.

31 1. There is appropriated from the general fund of the
32 state to the department of human services for the fiscal year
33 beginning July 1, 2018, and ending June 30, 2019, the following
34 amount, or so much thereof as is necessary, to be used for the
35 purpose designated:

1 a. For adoption subsidy payments and services:
2 \$ 20,388,955
3 b. (1) The funds appropriated in this section shall be used
4 as authorized or allowed by federal law or regulation for any
5 of the following purposes:
6 (a) For adoption subsidy payments and related costs.
7 (b) For post-adoption services and for other purposes under
8 Tit. IV-B or Tit. IV-E of the federal Social Security Act.
9 (2) The department of human services may transfer funds
10 appropriated in this subsection to the appropriation for
11 child and family services in this Act for the purposes of
12 post-adoption services as specified in this paragraph "b".
13 c. Notwithstanding section 8.33, moneys corresponding to
14 the state savings resulting from implementation of the federal
15 Fostering Connections to Success and Increasing Adoptions Act
16 of 2008, Pub. L. No. 110-351, and successor legislation, as
17 determined in accordance with 42 U.S.C. §673(a)(8), that remain
18 unencumbered or unobligated at the close of the fiscal year,
19 shall not revert to any fund but shall remain available for the
20 purposes designated in this subsection until expended. The
21 amount of such savings and any corresponding funds remaining
22 at the close of the fiscal year shall be determined separately
23 and any changes in either amount between fiscal years shall not
24 result in an unfunded need.
25 2. The department may transfer funds appropriated in
26 this section to the appropriation made in this division of
27 this Act for general administration for costs paid from the
28 appropriation relating to adoption subsidy.
29 3. Federal funds received by the state during the
30 fiscal year beginning July 1, 2018, as the result of the
31 expenditure of state funds during a previous state fiscal
32 year for a service or activity funded under this section are
33 appropriated to the department to be used as additional funding
34 for the services and activities funded under this section.
35 Notwithstanding [section 8.33](#), moneys received in accordance

1 with this subsection that remain unencumbered or unobligated
 2 at the close of the fiscal year shall not revert to any fund
 3 but shall remain available for expenditure for the purposes
 4 designated until the close of the succeeding fiscal year.

5 Sec. 59. JUVENILE DETENTION HOME FUND. Moneys deposited
 6 in the juvenile detention home fund created in [section 232.142](#)
 7 during the fiscal year beginning July 1, 2018, and ending June
 8 30, 2019, are appropriated to the department of human services
 9 for the fiscal year beginning July 1, 2018, and ending June 30,
 10 2019, for distribution of an amount equal to a percentage of
 11 the costs of the establishment, improvement, operation, and
 12 maintenance of county or multicounty juvenile detention homes
 13 in the fiscal year beginning July 1, 2017. Moneys appropriated
 14 for distribution in accordance with this section shall be
 15 allocated among eligible detention homes, prorated on the basis
 16 of an eligible detention home's proportion of the costs of all
 17 eligible detention homes in the fiscal year beginning July
 18 1, 2017. The percentage figure shall be determined by the
 19 department based on the amount available for distribution for
 20 the fund. Notwithstanding [section 232.142, subsection 3](#), the
 21 financial aid payable by the state under that provision for the
 22 fiscal year beginning July 1, 2018, shall be limited to the
 23 amount appropriated for the purposes of this section.

24 Sec. 60. FAMILY SUPPORT SUBSIDY PROGRAM.

25 1. There is appropriated from the general fund of the
 26 state to the department of human services for the fiscal year
 27 beginning July 1, 2018, and ending June 30, 2019, the following
 28 amount, or so much thereof as is necessary, to be used for the
 29 purpose designated:

30 For the family support subsidy program subject to the
 31 enrollment restrictions in [section 225C.37, subsection 3](#):

32 \$ 534,641

33 2. At least \$393,750 of the moneys appropriated in this
 34 section is transferred to the department of public health for
 35 the family support center component of the comprehensive family

1 support program under chapter 225C, subchapter V.

2 3. If at any time during the fiscal year, the amount of
3 funding available for the family support subsidy program
4 is reduced from the amount initially used to establish the
5 figure for the number of family members for whom a subsidy
6 is to be provided at any one time during the fiscal year,
7 notwithstanding [section 225C.38, subsection 2](#), the department
8 shall revise the figure as necessary to conform to the amount
9 of funding available.

10 Sec. 61. CONNER DECREE. There is appropriated from the
11 general fund of the state to the department of human services
12 for the fiscal year beginning July 1, 2018, and ending June 30,
13 2019, the following amount, or so much thereof as is necessary,
14 to be used for the purpose designated:

15 For building community capacity through the coordination
16 and provision of training opportunities in accordance with the
17 consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D.
18 Iowa, July 14, 1994):

19 \$ 16,816

20 Sec. 62. MENTAL HEALTH INSTITUTES.

21 1. There is appropriated from the general fund of the
22 state to the department of human services for the fiscal year
23 beginning July 1, 2018, and ending June 30, 2019, the following
24 amounts, or so much thereof as is necessary, to be used for the
25 purposes designated:

26 a. For operation of the state mental health institute at
27 Cherokee as required by chapters [218](#) and [226](#) for salaries,
28 support, maintenance, and miscellaneous purposes, and for not
29 more than the following full-time equivalent positions:

30 \$ 6,935,127

31 FTEs 162.00

32 b. For operation of the state mental health institute at
33 Independence as required by chapters [218](#) and [226](#) for salaries,
34 support, maintenance, and miscellaneous purposes, and for not
35 more than the following full-time equivalent positions:

1 \$ 8,756,810
 2 FTEs 204.00

3 2. Notwithstanding sections 218.78 and 249A.11, any revenue
 4 received from the state mental health institute at Cherokee or
 5 the state mental health institute at Independence pursuant to
 6 42 C.F.R §438.6(e) may be retained and expended by the mental
 7 health institute.

8 3. Notwithstanding any provision of law to the contrary,
 9 a Medicaid member residing at the state mental health
 10 institute at Cherokee or the state mental health institute
 11 at Independence shall retain Medicaid eligibility during
 12 the period of the Medicaid member's stay for which federal
 13 financial participation is available.

14 Sec. 63. STATE RESOURCE CENTERS.

15 1. There is appropriated from the general fund of the
 16 state to the department of human services for the fiscal year
 17 beginning July 1, 2018, and ending June 30, 2019, the following
 18 amounts, or so much thereof as is necessary, to be used for the
 19 purposes designated:

20 a. For the state resource center at Glenwood for salaries,
 21 support, maintenance, and miscellaneous purposes:
 22 \$ 8,943,890

23 b. For the state resource center at Woodward for salaries,
 24 support, maintenance, and miscellaneous purposes:
 25 \$ 6,038,517

26 2. The department may continue to bill for state resource
 27 center services utilizing a scope of services approach used for
 28 private providers of intermediate care facilities for persons
 29 with an intellectual disability services, in a manner which
 30 does not shift costs between the medical assistance program,
 31 counties, or other sources of funding for the state resource
 32 centers.

33 3. The state resource centers may expand the time-limited
 34 assessment and respite services during the fiscal year.

35 4. If the department's administration and the department

1 of management concur with a finding by a state resource
2 center's superintendent that projected revenues can reasonably
3 be expected to pay the salary and support costs for a new
4 employee position, or that such costs for adding a particular
5 number of new positions for the fiscal year would be less
6 than the overtime costs if new positions would not be added,
7 the superintendent may add the new position or positions. If
8 the vacant positions available to a resource center do not
9 include the position classification desired to be filled, the
10 state resource center's superintendent may reclassify any
11 vacant position as necessary to fill the desired position. The
12 superintendents of the state resource centers may, by mutual
13 agreement, pool vacant positions and position classifications
14 during the course of the fiscal year in order to assist one
15 another in filling necessary positions.

16 5. If existing capacity limitations are reached in
17 operating units, a waiting list is in effect for a service or
18 a special need for which a payment source or other funding
19 is available for the service or to address the special need,
20 and facilities for the service or to address the special need
21 can be provided within the available payment source or other
22 funding, the superintendent of a state resource center may
23 authorize opening not more than two units or other facilities
24 and begin implementing the service or addressing the special
25 need during fiscal year 2018-2019.

26 Sec. 64. SEXUALLY VIOLENT PREDATORS.

27 1. There is appropriated from the general fund of the
28 state to the department of human services for the fiscal year
29 beginning July 1, 2018, and ending June 30, 2019, the following
30 amount, or so much thereof as is necessary, to be used for the
31 purpose designated:

32 For costs associated with the commitment and treatment of
33 sexually violent predators in the unit located at the state
34 mental health institute at Cherokee, including costs of legal
35 services and other associated costs, including salaries,

1 support, maintenance, and miscellaneous purposes, and for not
2 more than the following full-time equivalent positions:

3 \$ 4,732,373
4 FTEs 112.00

5 2. Unless specifically prohibited by law, if the amount
6 charged provides for recoupment of at least the entire amount
7 of direct and indirect costs, the department of human services
8 may contract with other states to provide care and treatment
9 of persons placed by the other states at the unit for sexually
10 violent predators at Cherokee. The moneys received under
11 such a contract shall be considered to be repayment receipts
12 and used for the purposes of the appropriation made in this
13 section.

14 Sec. 65. FIELD OPERATIONS. There is appropriated from the
15 general fund of the state to the department of human services
16 for the fiscal year beginning July 1, 2018, and ending June 30,
17 2019, the following amount, or so much thereof as is necessary,
18 to be used for the purposes designated:

19 For field operations, including salaries, support,
20 maintenance, and miscellaneous purposes, and for not more than
21 the following full-time equivalent positions:

22 \$ 24,242,217
23 FTEs 1,583.00

24 Priority in filling full-time equivalent positions shall be
25 given to those positions related to child protection services
26 and eligibility determination for low-income families.

27 Sec. 66. GENERAL ADMINISTRATION. There is appropriated
28 from the general fund of the state to the department of human
29 services for the fiscal year beginning July 1, 2018, and ending
30 June 30, 2019, the following amount, or so much thereof as is
31 necessary, to be used for the purpose designated:

32 For general administration, including salaries, support,
33 maintenance, and miscellaneous purposes, and for not more than
34 the following full-time equivalent positions:

35 \$ 7,016,520

1 FTEs 294.00

2 1. The department shall report at least monthly to the

3 legislative services agency concerning the department's

4 operational and program expenditures.

5 2. Of the funds appropriated in this section, \$75,000 shall

6 be used to continue the contract for the provision of a program

7 to provide technical assistance, support, and consultation to

8 providers of habilitation services and home and community-based

9 services waiver services for adults with disabilities under the

10 medical assistance program.

11 3. Of the funds appropriated in this section, \$25,000

12 is transferred to the Iowa finance authority to be used

13 for administrative support of the council on homelessness

14 established in [section 16.2D](#) and for the council to fulfill its

15 duties in addressing and reducing homelessness in the state.

16 4. Of the funds appropriated in this section, \$100,000 shall

17 be transferred to and deposited in the administrative fund of

18 the Iowa ABLE savings plan trust created in [section 12I.4](#), to

19 be used for implementation and administration activities of the

20 Iowa ABLE savings plan trust.

21 5. Of the funds appropriated in this section, \$100,000 is

22 transferred to the economic development authority for the Iowa

23 commission on volunteer services to continue to be used for

24 RefugeeRISE AmeriCorps program established under section 15H.8

25 for member recruitment and training to improve the economic

26 well-being and health of economically disadvantaged refugees in

27 local communities across Iowa. Funds transferred may be used

28 to supplement federal funds under federal regulations.

29 6. Of the funds appropriated in this section, \$100,000

30 shall be used to continue to expand the provision of nationally

31 accredited and recognized internet-based training to include

32 mental health and disability services providers.

33 Sec. 67. DEPARTMENT-WIDE DUTIES. There is appropriated

34 from the general fund of the state to the department of human

35 services for the fiscal year beginning July 1, 2018, and ending

1 June 30, 2019, the following amount, or so much thereof as is
2 necessary, to be used for the purposes designated:

3 For salaries, support, maintenance, and miscellaneous
4 purposes at facilities under the purview of the department of
5 human services:

6 \$ 1,439,637

7 Sec. 68. VOLUNTEERS. There is appropriated from the general
8 fund of the state to the department of human services for the
9 fiscal year beginning July 1, 2018, and ending June 30, 2019,
10 the following amount, or so much thereof as is necessary, to be
11 used for the purpose designated:

12 For development and coordination of volunteer services:

13 \$ 42,343

14 Sec. 69. GENERAL REDUCTION. For the period beginning July
15 1, 2018, and ending June 30, 2019, the department of human
16 services, in consultation with the department of management,
17 shall identify and implement a reduction in expenditures made
18 from appropriations from the general fund to the department of
19 human services in the amount of \$733,651.

20 Sec. 70. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY
21 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE
22 DEPARTMENT OF HUMAN SERVICES.

23 1. a. (1) (a) For the fiscal year beginning July
24 1, 2018, case-mix, non-case mix, and special population
25 nursing facilities shall be reimbursed in accordance with the
26 methodology in effect on June 30, 2018.

27 (b) For managed care claims, the department of human
28 services shall adjust the payment rate floor for nursing
29 facilities, annually, to maintain a rate floor that is no
30 lower than the Medicaid fee-for-service case-mix adjusted rate
31 calculated in accordance with 441 IAC 81.6. The department
32 shall then calculate adjusted reimbursement rates, including
33 but not limited to add-on-payments, annually, and shall
34 notify Medicaid managed care organizations of the adjusted
35 reimbursement rates within 30 days of determining the adjusted

1 reimbursement rates. Any adjustment of reimbursement rates
2 under this subparagraph division shall be budget neutral to the
3 state budget.

4 (2) For any open or unsettled nursing facility cost report
5 for a fiscal year prior to and including the fiscal year
6 beginning July 1, 2017, including any cost report remanded on
7 judicial review for inclusion of prescription drug, laboratory,
8 or x-ray costs, the department shall offset all reported
9 prescription drug, laboratory, and x-ray costs with any revenue
10 received from Medicare or other revenue source for any purpose.
11 For purposes of this subparagraph, a nursing facility cost
12 report is not considered open or unsettled if the facility did
13 not initiate an administrative appeal under [chapter 17A](#) or if
14 any appeal rights initiated have been exhausted.

15 b. (1) For the fiscal year beginning July 1, 2018,
16 the department shall establish the pharmacy dispensing fee
17 reimbursement at \$10.02 per prescription, until a cost of
18 dispensing survey is completed. The actual dispensing fee
19 shall be determined by a cost of dispensing survey performed
20 by the department and required to be completed by all medical
21 assistance program participating pharmacies every two years,
22 adjusted as necessary to maintain expenditures within the
23 amount appropriated to the department for this purpose for the
24 fiscal year.

25 (2) The department shall utilize an average acquisition
26 cost reimbursement methodology for all drugs covered under the
27 medical assistance program in accordance with 2012 Iowa Acts,
28 chapter 1133, section 33.

29 c. (1) For the fiscal year beginning July 1, 2018,
30 reimbursement rates for outpatient hospital services shall
31 remain at the rates in effect on June 30, 2018, subject to
32 Medicaid program upper payment limit rules, and adjusted
33 as necessary to maintain expenditures within the amount
34 appropriated to the department for this purpose for the fiscal
35 year.

1 (2) For the fiscal year beginning July 1, 2018,
2 reimbursement rates for inpatient hospital services shall
3 be rebased effective October 1, 2018, subject to Medicaid
4 program upper payment limit rules, and adjusted as necessary
5 to maintain expenditures within the amount appropriated to the
6 department for this purpose for the fiscal year.

7 (3) For the fiscal year beginning July 1, 2018, the graduate
8 medical education and disproportionate share hospital fund
9 shall remain at the amount in effect on June 30, 2018, except
10 that the portion of the fund attributable to graduate medical
11 education shall be reduced in an amount that reflects the
12 elimination of graduate medical education payments made to
13 out-of-state hospitals.

14 (4) In order to ensure the efficient use of limited state
15 funds in procuring health care services for low-income Iowans,
16 funds appropriated in this Act for hospital services shall
17 not be used for activities which would be excluded from a
18 determination of reasonable costs under the federal Medicare
19 program pursuant to 42 U.S.C. §1395x(v)(1)(N).

20 d. For the fiscal year beginning July 1, 2018, reimbursement
21 rates for hospices and acute mental hospitals shall be
22 increased in accordance with increases under the federal
23 Medicare program or as supported by their Medicare audited
24 costs.

25 e. For the fiscal year beginning July 1, 2018, independent
26 laboratories and rehabilitation agencies shall be reimbursed
27 using the same methodology in effect on June 30, 2018.

28 f. (1) For the fiscal year beginning July 1, 2018,
29 reimbursement rates for home health agencies shall continue to
30 be based on the Medicare low utilization payment adjustment
31 (LUPA) methodology with state geographic wage adjustments.
32 The department shall continue to update the rates every two
33 years to reflect the most recent Medicare LUPA rates to the
34 extent possible within the state funding appropriated for this
35 purpose.

1 (2) For the fiscal year beginning July 1, 2018, rates for
2 private duty nursing and personal care services under the early
3 and periodic screening, diagnostic, and treatment program
4 benefit shall be calculated based on the methodology in effect
5 on June 30, 2018.

6 g. For the fiscal year beginning July 1, 2018, federally
7 qualified health centers and rural health clinics shall receive
8 cost-based reimbursement for 100 percent of the reasonable
9 costs for the provision of services to recipients of medical
10 assistance.

11 h. For the fiscal year beginning July 1, 2018, the
12 reimbursement rates for dental services shall remain at the
13 rates in effect on June 30, 2018.

14 i. (1) For the fiscal year beginning July 1, 2018,
15 reimbursement rates for the non-state-owned psychiatric medical
16 institution for children shall be based on the methodology in
17 effect on June 30, 2018.

18 (2) As a condition of participation in the medical
19 assistance program, enrolled providers shall accept the medical
20 assistance reimbursement rate for any covered goods or services
21 provided to recipients of medical assistance who are children
22 under the custody of a psychiatric medical institution for
23 children.

24 j. For the fiscal year beginning July 1, 2018, unless
25 otherwise specified in this Act, all noninstitutional medical
26 assistance provider reimbursement rates shall remain at the
27 rates in effect on June 30, 2018, except for area education
28 agencies, local education agencies, infant and toddler
29 services providers, home and community-based services providers
30 including consumer-directed attendant care providers under a
31 section 1915(c) or 1915(i) waiver, targeted case management
32 providers, and those providers whose rates are required to be
33 determined pursuant to [section 249A.20](#).

34 k. Notwithstanding any provision to the contrary, for the
35 fiscal year beginning July 1, 2018, the reimbursement rate

1 for anesthesiologists shall be adjusted to implement the cost
2 containment strategies authorized for the medical assistance
3 program in this 2017 Act.

4 1. Notwithstanding [section 249A.20](#), for the fiscal year
5 beginning July 1, 2018, the average reimbursement rate for
6 health care providers eligible for use of the federal Medicare
7 resource-based relative value scale reimbursement methodology
8 under [section 249A.20](#) shall remain at the rate in effect on
9 June 30, 2018; however, this rate shall not exceed the maximum
10 level authorized by the federal government.

11 m. For the fiscal year beginning July 1, 2018, the
12 reimbursement rate for residential care facilities shall not
13 be less than the minimum payment level as established by the
14 federal government to meet the federally mandated maintenance
15 of effort requirement. The flat reimbursement rate for
16 facilities electing not to file annual cost reports shall not
17 be less than the minimum payment level as established by the
18 federal government to meet the federally mandated maintenance
19 of effort requirement.

20 n. For the fiscal year beginning July 1, 2018, the
21 reimbursement rates for inpatient mental health services
22 provided at hospitals shall be rebased effective October 1,
23 2018, subject to Medicaid program upper payment limit rules;
24 and psychiatrists shall be reimbursed at the medical assistance
25 program fee-for-service rate in effect on June 30, 2018.

26 o. For the fiscal year beginning July 1, 2018, community
27 mental health centers may choose to be reimbursed for the
28 services provided to recipients of medical assistance through
29 either of the following options:

30 (1) For 100 percent of the reasonable costs of the services.

31 (2) In accordance with the alternative reimbursement rate
32 methodology approved by the department of human services in
33 effect on June 30, 2018.

34 p. For the fiscal year beginning July 1, 2018, the
35 reimbursement rate for providers of family planning services

1 that are eligible to receive a 90 percent federal match shall
2 remain at the rates in effect on June 30, 2018.

3 q. Unless otherwise subject to a tiered rate methodology,
4 for the fiscal year beginning July 1, 2018, the upper
5 limits and reimbursement rates for providers of home and
6 community-based services waiver services shall be reimbursed
7 using the reimbursement methodology in effect on June 30, 2018.

8 r. For the fiscal year beginning July 1, 2018, the
9 reimbursement rates for emergency medical service providers
10 shall remain at the rates in effect on June 30, 2018.

11 s. For the fiscal year beginning July 1, 2018, reimbursement
12 rates for substance-related disorder treatment programs
13 licensed under section 125.13 shall remain at the rates in
14 effect on June 30, 2018.

15 2. For the fiscal year beginning July 1, 2018, the
16 reimbursement rate for providers reimbursed under the
17 in-home-related care program shall not be less than the minimum
18 payment level as established by the federal government to meet
19 the federally mandated maintenance of effort requirement.

20 3. Unless otherwise directed in this section, when the
21 department's reimbursement methodology for any provider
22 reimbursed in accordance with this section includes an
23 inflation factor, this factor shall not exceed the amount
24 by which the consumer price index for all urban consumers
25 increased during the calendar year ending December 31, 2002.

26 4. Notwithstanding section 234.38, for the fiscal
27 year beginning July 1, 2018, the foster family basic daily
28 maintenance rate and the maximum adoption subsidy rate for
29 children ages 0 through 5 years shall be \$16.78, the rate for
30 children ages 6 through 11 years shall be \$17.43, the rate for
31 children ages 12 through 15 years shall be \$19.10, and the
32 rate for children and young adults ages 16 and older shall
33 be \$19.35. For youth ages 18 to 21 who have exited foster
34 care, the preparation for adult living program maintenance rate
35 shall be \$602.70 per month. The maximum payment for adoption

1 subsidy nonrecurring expenses shall be limited to \$500 and the
2 disallowance of additional amounts for court costs and other
3 related legal expenses implemented pursuant to 2010 Iowa Acts,
4 chapter 1031, section 408, shall be continued.

5 5. For the fiscal year beginning July 1, 2018, the maximum
6 reimbursement rates for social services providers under
7 contract shall remain at the rates in effect on June 30, 2018,
8 or the provider's actual and allowable cost plus inflation for
9 each service, whichever is less. However, if a new service
10 or service provider is added after June 30, 2018, the initial
11 reimbursement rate for the service or provider shall be based
12 upon a weighted average of provider rates for similar services.

13 6. a. For the fiscal year beginning July 1, 2018, the
14 reimbursement rates for resource family recruitment and
15 retention contractors shall be established by contract.

16 b. For the fiscal year beginning July 1, 2018, the
17 reimbursement rates for supervised apartment living foster care
18 providers shall be established by contract.

19 7. a. For the purposes of this subsection, "combined
20 reimbursement rate" means the combined service and maintenance
21 reimbursement rate for a service level under the department's
22 reimbursement methodology. Effective July 1, 2018, the
23 combined reimbursement rate for a group foster care service
24 level shall be the amount designated in this subsection.
25 However, if a group foster care provider's reimbursement rate
26 for a service level as of June 30, 2018, is more than the rate
27 designated in this subsection, the provider's reimbursement
28 shall remain at the higher rate.

29 b. Unless a group foster care provider is subject to the
30 exception provided in paragraph "a", effective July 1, 2018,
31 the combined reimbursement rates for the service levels under
32 the department's reimbursement methodology shall be as follows:

33 (1) For service level, community - D1, the daily rate shall
34 be at least \$84.17.

35 (2) For service level, comprehensive - D2, the daily rate

1 shall be at least \$119.09.

2 (3) For service level, enhanced - D3, the daily rate shall
3 be at least \$131.09.

4 8. The group foster care reimbursement rates paid for
5 placement of children out of state shall be calculated
6 according to the same rate-setting principles as those used for
7 in-state providers, unless the director of human services or
8 the director's designee determines that appropriate care cannot
9 be provided within the state. The payment of the daily rate
10 shall be based on the number of days in the calendar month in
11 which service is provided.

12 9. a. For the fiscal year beginning July 1, 2018, the
13 reimbursement rate paid for shelter care and the child welfare
14 emergency services implemented to provide or prevent the need
15 for shelter care shall be established by contract.

16 b. For the fiscal year beginning July 1, 2018, the combined
17 service and maintenance components of the reimbursement rate
18 paid for shelter care services shall be based on the financial
19 and statistical report submitted to the department. The
20 maximum reimbursement rate shall be \$101.83 per day. The
21 department shall reimburse a shelter care provider at the
22 provider's actual and allowable unit cost, plus inflation, not
23 to exceed the maximum reimbursement rate.

24 c. Notwithstanding [section 232.141, subsection 8](#), for the
25 fiscal year beginning July 1, 2018, the amount of the statewide
26 average of the actual and allowable rates for reimbursement of
27 juvenile shelter care homes that is utilized for the limitation
28 on recovery of unpaid costs shall remain at the amount in
29 effect for this purpose in the fiscal year beginning July 1,
30 2017.

31 10. For the fiscal year beginning July 1, 2018, the
32 department shall calculate reimbursement rates for intermediate
33 care facilities for persons with an intellectual disability
34 at the 80th percentile. Beginning July 1, 2018, the rate
35 calculation methodology shall utilize the consumer price index

1 inflation factor applicable to the fiscal year beginning July
2 1, 2018.

3 11. For the fiscal year beginning July 1, 2018, for child
4 care providers reimbursed under the state child care assistance
5 program, the department shall set provider reimbursement
6 rates based on the rate reimbursement survey completed in
7 December 2004. Effective July 1, 2018, the child care provider
8 reimbursement rates shall remain at the rates in effect on June
9 30, 2018. The department shall set rates in a manner so as
10 to provide incentives for a nonregistered provider to become
11 registered by applying the increase only to registered and
12 licensed providers.

13 12. For the fiscal year beginning July 1, 2018, affected
14 providers or services shall be reimbursed as follows:

15 a. For fee-for-service claims, reimbursement shall be
16 calculated based on the methodology otherwise specified in this
17 section for the fiscal year beginning July 1, 2018, for the
18 respective provider or service.

19 b. For claims subject to a managed care contract with the
20 exception of any provider or service to which a reimbursement
21 increase is applicable for the fiscal year under this section,
22 reimbursement shall be based on the methodology established by
23 the managed care contract. However, any rate or reimbursement
24 established under such contract shall not be lower than the
25 rate or reimbursement floor established by the department
26 of human services as the managed care organization rate or
27 reimbursement floor for a respective provider or service in
28 effect on April 1, 2016.

29 13. Notwithstanding any provision to the contrary,
30 reimbursement rates and methodologies under this section may
31 be adjusted as necessary to implement the cost containment
32 strategies authorized for the medical assistance program in
33 this 2017 Act.

34 14. The department may adopt emergency rules to implement
35 this section.

1 Sec. 71. EMERGENCY RULES.

2 1. If specifically authorized by a provision of this
3 division of this Act, the department of human services or
4 the mental health and disability services commission may
5 adopt administrative rules under section 17A.4, subsection
6 3, and [section 17A.5, subsection 2, paragraph "b"](#), to
7 implement the provisions of this division of this Act and
8 the rules shall become effective immediately upon filing or
9 on a later effective date specified in the rules, unless the
10 effective date of the rules is delayed or the applicability
11 of the rules is suspended by the administrative rules review
12 committee. Any rules adopted in accordance with this section
13 shall not take effect before the rules are reviewed by the
14 administrative rules review committee. The delay authority
15 provided to the administrative rules review committee under
16 section 17A.4, subsection 7, and [section 17A.8, subsection 9](#),
17 shall be applicable to a delay imposed under this section,
18 notwithstanding a provision in those sections making them
19 inapplicable to [section 17A.5, subsection 2, paragraph "b"](#).
20 Any rules adopted in accordance with the provisions of this
21 section shall also be published as a notice of intended action
22 as provided in [section 17A.4](#).

23 2. If during a fiscal year, the department of human
24 services is adopting rules in accordance with this section
25 or as otherwise directed or authorized by state law, and the
26 rules will result in an expenditure increase beyond the amount
27 anticipated in the budget process or if the expenditure was
28 not addressed in the budget process for the fiscal year, the
29 department shall notify the persons designated by this division
30 of this Act for submission of reports, the chairpersons and
31 ranking members of the committees on appropriations, and
32 the department of management concerning the rules and the
33 expenditure increase. The notification shall be provided at
34 least 30 calendar days prior to the date notice of the rules
35 is submitted to the administrative rules coordinator and the

1 administrative code editor.

2 Sec. 72. REPORTS. Any reports or other information
3 required to be compiled and submitted under this Act during the
4 fiscal year beginning July 1, 2018, shall be submitted to the
5 chairpersons and ranking members of the joint appropriations
6 subcommittee on health and human services, the legislative
7 services agency, and the legislative caucus staffs on or
8 before the dates specified for submission of the reports or
9 information.

10 Sec. 73. TRANSFER OF MEDICAID MODERNIZATION SAVINGS BETWEEN
11 APPROPRIATIONS FY 2018-2019. Notwithstanding section 8.39,
12 subsection 1, for the fiscal year beginning July 1, 2018, if
13 savings resulting from the governor's Medicaid modernization
14 initiative accrue to the medical contracts or children's health
15 insurance program appropriation from the general fund of the
16 state and not to the medical assistance appropriation from the
17 general fund of the state under this division of this Act,
18 such savings may be transferred to such medical assistance
19 appropriation for the same fiscal year without prior written
20 consent and approval of the governor and the director of the
21 department of management. The department of human services
22 shall report any transfers made pursuant to this section to the
23 legislative services agency.

24 Sec. 74. EFFECTIVE UPON ENACTMENT. The following
25 provisions of this division of this Act, being deemed of
26 immediate importance, take effect upon enactment:

27 1. The provision relating to section 232.141 and directing
28 the state court administrator and the division administrator of
29 the department of human services division of child and family
30 services to make the determination, by June 15, 2018, of the
31 distribution of funds allocated for the payment of the expenses
32 of court-ordered services provided to juveniles which are a
33 charge upon the state.

34 DIVISION XII

35 HEALTH CARE ACCOUNTS AND FUNDS — FY 2018-2019

1 Sec. 75. PHARMACEUTICAL SETTLEMENT ACCOUNT. There is
 2 appropriated from the pharmaceutical settlement account created
 3 in section 249A.33 to the department of human services for the
 4 fiscal year beginning July 1, 2018, and ending June 30, 2019,
 5 the following amount, or so much thereof as is necessary, to be
 6 used for the purpose designated:

7 Notwithstanding any provision of law to the contrary, to
 8 supplement the appropriations made in this Act for medical
 9 contracts under the medical assistance program for the fiscal
 10 year beginning July 1, 2018, and ending June 30, 2019:
 11 \$ 400,000

12 Sec. 76. QUALITY ASSURANCE TRUST FUND — DEPARTMENT OF HUMAN
 13 SERVICES. Notwithstanding any provision to the contrary and
 14 subject to the availability of funds, there is appropriated
 15 from the quality assurance trust fund created in section
 16 249L.4 to the department of human services for the fiscal year
 17 beginning July 1, 2018, and ending June 30, 2019, the following
 18 amounts, or so much thereof as is necessary, for the purposes
 19 designated:

20 To supplement the appropriation made in this Act from the
 21 general fund of the state to the department of human services
 22 for medical assistance for the same fiscal year:
 23 \$ 18,352,604

24 Sec. 77. HOSPITAL HEALTH CARE ACCESS TRUST FUND —
 25 DEPARTMENT OF HUMAN SERVICES. Notwithstanding any provision to
 26 the contrary and subject to the availability of funds, there is
 27 appropriated from the hospital health care access trust fund
 28 created in section 249M.4 to the department of human services
 29 for the fiscal year beginning July 1, 2018, and ending June
 30 30, 2019, the following amounts, or so much thereof as is
 31 necessary, for the purposes designated:

32 To supplement the appropriation made in this Act from the
 33 general fund of the state to the department of human services
 34 for medical assistance for the same fiscal year:
 35 \$ 16,960,277

1 outcome.

2 c. The committee shall use evidence-based research methods
3 in selecting the drugs to be included on the preferred drug
4 list.

5 d. When making recommendations or determinations regarding
6 beneficiary access to drugs and biological products for rare
7 diseases, as defined in the federal Orphan Drug Act of 1983,
8 Pub. L. No. 97-414, and drugs and biological products that are
9 genetically targeted, the committee shall request and consider
10 information from individuals who possess scientific or medical
11 training with respect to the drug, biological product, or rare
12 disease.

13 e. The committee shall periodically review all drug classes
14 included on the preferred drug list and may amend the list to
15 ensure that the list provides for medically appropriate drug
16 therapies for medical assistance recipients and achieves cost
17 savings to the medical assistance program.

18 f. The department may procure a sole source contract
19 with an outside entity or contractor to provide professional
20 administrative support to the pharmaceutical and therapeutics
21 committee in researching and recommending drugs to be placed on
22 the preferred drug list.

23 Sec. 82. Section 249A.24, Code 2017, is amended by adding
24 the following new subsection:

25 NEW SUBSECTION. 2A. When making recommendations or
26 determinations regarding beneficiary access to drugs and
27 biological products for rare diseases, as defined in the
28 federal Orphan Drug Act of 1983, Pub. L. No. 97-414, and
29 drugs and biological products that are genetically targeted,
30 the commission shall request and consider information from
31 individuals who possess scientific or medical training with
32 respect to the drug, biological product, or rare disease.

33 DIVISION XV

34 PUBLIC ASSISTANCE PROGRAMS OVERSIGHT

35 Sec. 83. 2017 Iowa Acts, House File 531, section 2,

1 subsection 1, as enacted, is amended to read as follows:

2 1. The department of human services shall review state
3 efforts, including pilot programs related to data sharing
4 between states and technology-based solutions designed to curb
5 interstate dual participation, to address program integrity
6 for public assistance programs including Medicaid, the family
7 investment program (FIP), the supplemental nutrition assistance
8 program (SNAP), and the child care assistance program. As
9 part of the review, the department shall explore opportunities
10 to join existing pilot efforts in collaboration with other
11 states including the effort involving the national accuracy
12 clearinghouse, or to develop a separate pilot effort in Iowa.

13 Sec. 84. EFFECTIVE UPON ENACTMENT. This division of this
14 Act, being deemed of immediate importance, takes effect upon
15 enactment.

16 Sec. 85. RETROACTIVE APPLICABILITY. This division of this
17 Act applies retroactively to March 30, 2017.

18 DIVISION XVI

19 BACKGROUND CHECK PRIVATE SECTOR ALTERNATIVES

20 Sec. 86. BACKGROUND CHECK — PRIVATE SECTOR
21 ALTERNATIVES. The department of human services and the
22 department of public safety shall jointly review private sector
23 alternatives to the performance of state mandated criminal
24 background checks currently performed solely by the department
25 of public safety. The departments shall submit a report to
26 the governor and the general assembly by December 15, 2017,
27 including a description of the process used in reviewing
28 private sector alternatives to perform criminal background
29 checks, the findings from the review, and recommendations for
30 utilizing private sector entities as an alternative to the
31 department of public safety in performing criminal background
32 checks.

33 DIVISION XVII

34 PSYCHIATRIC BED TRACKING SYSTEM

35 Sec. 87. DEPARTMENT OF HUMAN SERVICES PSYCHIATRIC BED

1 TRACKING SYSTEM. The department of human services shall amend
 2 its administrative rules pursuant to chapter 17A to require
 3 the state mental health institutes and hospitals licensed
 4 to provide inpatient psychiatric treatment and services to
 5 participate in the psychiatric bed tracking system and to
 6 ensure updates are made, at a minimum, two times per day to
 7 the psychiatric bed tracking system. Updates shall include
 8 information on the availability of inpatient child, adult,
 9 and geriatric psychiatric beds staffed and available and
 10 information on the gender that can be accepted for each
 11 available bed.

12 DIVISION XVIII

13 CHILDREN'S WELL-BEING COLLABORATIVES AND ADVISORY COMMITTEE

14 Sec. 88. CHILDREN'S WELL-BEING COLLABORATIVES — GRANTS.

15 1. The department of human services shall establish a
 16 request for proposals process which shall be based upon
 17 recommendations for the development and implementation
 18 of children's well-being collaboratives described in the
 19 children's mental health study report submitted by the
 20 department to the general assembly on December 15, 2016.

21 2. A well-being collaborative shall consist of a
 22 broad-based group of entities in a defined geographical area
 23 represented by a lead agency. Entities in the well-being
 24 collaborative shall include a broad-based representation of key
 25 providers including but not limited to providers of prevention
 26 and early intervention services and mental health services to
 27 the target population.

28 3. A well-being collaborative shall be responsible for
 29 developing interagency coordination and collaboration for
 30 the provision of prevention and early intervention services
 31 within the designated geographic area and shall, at a minimum,
 32 demonstrate all of the following:

33 a. Experience and a strong understanding of how best to
 34 engage children and families to achieve positive mental health
 35 and well-being outcomes.

1 b. An ability to provide or administer prevention services
2 for the improvement of children's mental health and well-being.

3 c. Experience and effectiveness in coordinating the
4 collaborative efforts of multiple stakeholders working toward
5 a common goal of improving the effectiveness of the group's
6 efforts to achieve measurable improved outcomes.

7 4. A well-being collaborative shall build and maintain
8 intentional collaboration among all entities with the goal of
9 providing measurable improvements in outcomes for children and
10 families.

11 5. A well-being collaborative shall build and improve
12 coordination and effectiveness among entities to develop and
13 provide primary, secondary, and tertiary prevention and early
14 intervention services that are nonduplicative and that are
15 aligned to meet the needs of children and families in the
16 geographic area.

17 6. A well-being collaborative shall provide technical
18 assistance to a diverse array of stakeholders, facilitate
19 the distribution of public awareness materials that include
20 information aimed at reducing the stigma of mental illness,
21 and provide updates on changes in state and federal policy
22 in relation to prevention and early intervention efforts
23 concerning children's mental health and well-being.

24 7. A well-being collaborative shall establish or enhance
25 collaborative efforts in all of the following areas:

26 a. The selection and implementation of evidence-based or
27 promising prevention and early intervention models.

28 b. Understanding funding sources and how to utilize
29 available funding most effectively.

30 c. The adoption or development, implementation, and
31 analysis of community needs assessments.

32 d. The development, implementation, and analysis of a
33 community work plan based on the results of the community needs
34 assessment.

35 e. The adoption or development and implementation of a

1 uniform family assessment.

2 f. The utilization of research and data analysis to guide
3 the work of the well-being collaborative.

4 g. The provision of culturally competent services and the
5 ability to address issues relating to the disproportionate
6 representation of a population group.

7 h. The development of public awareness and training
8 programs, including programs aimed at reducing the stigma of
9 mental illness.

10 i. The recruitment and retention of members in the
11 well-being collaborative with a focus on achieving the goals
12 and outcomes of the collaborative and supporting all members in
13 the collaborative.

14 8. Each grantee shall submit reports to the department of
15 human services by December 15, 2017, and April 15, 2018, to
16 include information relating to the accomplishments and future
17 plans of each well-being collaborative.

18 Sec. 89. CHILDREN'S MENTAL HEALTH AND WELL-BEING ADVISORY
19 COMMITTEE. The department of human services shall create and
20 provide support to a children's mental health and well-being
21 advisory committee to continue efforts relating to improving
22 children's mental health crisis services and children's
23 well-being learning labs and supporting the children's
24 well-being collaboratives.

25 DIVISION XIX

26 STATE FAMILY PLANNING SERVICES PROGRAM

27 Sec. 90. NEW SECTION. 217.41B State family planning
28 services program — establishment — discontinuation of Medicaid
29 family planning network waiver.

30 1. The department of human services shall discontinue the
31 Medicaid family planning network waiver effective July 1, 2017,
32 and shall instead establish a state family planning services
33 program. The state program shall replicate the eligibility
34 requirements and other provisions included in the Medicaid
35 family planning network waiver as approved by the centers for

1 Medicare and Medicaid services of the United States department
2 of health and human services in effect on June 30, 2017.

3 2. Distribution of family planning services program funds
4 under this section shall be made in a manner that continues
5 access to family planning services.

6 3. Distribution of family planning services program funds
7 shall not be made to any entity that performs abortions or that
8 maintains or operates a facility where abortions are performed.
9 For the purposes of this section, "*abortion*" does not include
10 any of the following:

11 a. The treatment of a woman for a physical disorder,
12 physical injury, or physical illness, including a
13 life-endangering physical condition caused by or arising from
14 the pregnancy itself, that would, as certified by a physician,
15 place the woman in danger of death.

16 b. The treatment of a woman for a spontaneous abortion,
17 commonly known as a miscarriage, when not all of the products
18 of human conception are expelled.

19 4. Family planning services program funds distributed in
20 accordance with this section shall not be used for direct or
21 indirect costs, including but not limited to administrative
22 costs or expenses, overhead, employee salaries, rent, and
23 telephone and other utility costs, related to providing
24 abortions as specified in subsection 3.

25 Sec. 91. EMERGENCY RULES. The department of human services
26 may adopt emergency rules under section 17A.4, subsection 3,
27 and section 17A.5, subsection 2, paragraph "b", to implement
28 the provisions of this division of this Act, and the rules
29 shall be effective immediately upon filing unless a later date
30 is specified in the rules. Any rules adopted in accordance
31 with this section shall also be published as a notice of
32 intended action as provided in section 17A.4.

33 Sec. 92. EFFECTIVE UPON ENACTMENT. This division of this
34 Act, being deemed of immediate importance, takes effect upon
35 enactment.

1 DIVISION XX
2 MEDICAID HOME AND COMMUNITY-BASED SERVICES PROVIDERS — TIERED
3 RATES AND DOCUMENTATION CHANGES

4 Sec. 93. MEDICAID HOME AND COMMUNITY-BASED SERVICES
5 PROVIDERS — TIERED RATES AND DOCUMENTATION CHANGES —
6 EMERGENCY RULES.

7 1. Beginning July 1, 2017, the department of human
8 services shall discontinue application of the retrospectively
9 limited cost settlement methodology based on submission of
10 required cost reports under 441 IAC 79.1, and shall implement
11 tiered rates for providers of supported community living,
12 day habilitation and adult day services for persons with an
13 intellectual disability under the home and community-based
14 services waiver program. The tiered rates shall be implemented
15 in a phased-in approach to accommodate transition of providers
16 to the revised reimbursement model. The department of human
17 services and Medicaid managed care organizations may also
18 establish tiered rates for other services.

19 2. The department of human services shall amend 441 IAC
20 24.4 relating to standards of service for providers of services
21 to persons with mental illness, intellectual disabilities, or
22 developmental disabilities pursuant to chapter 225C and 441
23 IAC 79.3(2) relating to medical clinical records for providers
24 of services under the Medicaid program pursuant to chapter
25 249A, to provide, effective November 1, 2017, that in addition
26 to allowing documentation of the provision of services or
27 standards of service in a narrative format, the following
28 providers may also provide documentation in a checkbox form
29 format in accordance with the provider's organizational
30 policies and procedures and in compliance with procedures
31 established by the centers for Medicare and Medicaid services
32 of the United States department of health and human services:

- 33 a. Advanced registered nurse practitioners.
34 b. Psychologists.
35 c. Community mental health centers.

1 d. Home and community-based habilitation services
2 providers.

3 e. Behavioral health intervention.

4 f. Case management services including home and
5 community-based services case management services.

6 g. Home and community-based services waiver services.

7 h. Behavioral health services.

8 i. Community-based neurobehavioral rehabilitation
9 residential services and intermittent services.

10 3. The department of human services may adopt emergency
11 rules under section 17A.4, subsection 3, and section 17A.5,
12 subsection 2, paragraph "b", to implement the provisions of
13 this division of this Act, and the rules shall be effective
14 immediately upon filing unless a later date is specified in the
15 rules. Any rules adopted in accordance with this section shall
16 also be published as a notice of intended action as provided
17 in section 17A.4.

18 Sec. 94. EFFECTIVE UPON ENACTMENT. This division of this
19 Act, being deemed of immediate importance, takes effect upon
20 enactment.

21 DIVISION XXI

22 TELEHEALTH PARITY INTERIM COMMITTEE

23 Sec. 95. TELEHEALTH PARITY INTERIM COMMITTEE.

24 1. The legislative council is requested to establish
25 a study committee for the 2017 interim to examine issues
26 relating to telehealth parity for private insurance and state
27 employee health plans. The study committee shall consult with
28 stakeholders to evaluate the benefits of telehealth parity
29 within the context of the needs of Iowans such as access to
30 health care, review existing policies related to telehealth
31 reimbursement and the impact on private insurance and state
32 employee health plans, consider the costs associated with
33 telehealth service utilization, consider telehealth's potential
34 impact to economic development opportunities for Iowa's
35 rural communities, and evaluate obstacles such as broadband

1 accessibility.

2 2. The members of the committee shall include:

3 a. Ten members of the general assembly as voting members.

4 (1) Three members shall be appointed by the majority leader
5 of the senate, two by the minority leader of the senate, three
6 by the speaker of the house of representatives, and two by the
7 minority leader of the house of representatives.

8 (2) The legislators appointed shall include:

9 (a) The chairpersons and ranking members of the general
10 assembly's committees on human resources or a member of the
11 committee designated by the chairperson or ranking member.

12 (b) The co-chairpersons and ranking members of the joint
13 appropriations subcommittee on health and human services, or a
14 member of the subcommittee designated by the co-chairperson or
15 ranking member.

16 b. One representative of each of the following
17 organizations as nonvoting members:

18 (1) The signal center for health innovation.

19 (2) The Iowa hospital association.

20 (3) An independent medical clinic.

21 (4) The Iowa medical society.

22 (5) The Iowa health care association.

23 (6) The federation of Iowa insurers.

24 (7) AARP Iowa.

25 (8) The Iowa telecommunications association.

26 (9) A mental health and disability services region.

27 c. The following agency directors or commissioner as ex
28 officio nonvoting members:

29 (1) The director of public health, or the director's
30 designee.

31 (2) The director of the department of administrative
32 services, or the director's designee.

33 (3) The director of the department on aging, or the
34 director's designee.

35 (4) The commissioner of insurance or the commissioner's

1 designee.

2 3. The interim committee may request information and
3 assistance from state agencies as applicable to the purpose of
4 the interim committee, as needed to complete the work of the
5 interim committee.

6 4. The interim committee shall submit its findings and
7 recommendations to the general assembly by December 15, 2017,
8 for consideration during the 2018 legislative session.

9 DIVISION XXII

10 ALZHEIMER'S AND OTHER FORMS OF DEMENTIA — HEALTH AND
11 RESILIENCE OUTREACH (HERO) PROJECT — DEMENTIA-SPECIFIC CARE

12 Sec. 96. HERO PROJECT. The department of public health
13 shall collaborate with stakeholders that support individuals
14 with Alzheimer's disease to identify funding opportunities
15 to support the health and resilience outreach (HERO) project
16 for individuals caring for a family member with Alzheimer's or
17 other forms of dementia.

18 Sec. 97. ACCESS TO DEMENTIA-SPECIFIC CARE. The department
19 on aging, the department of public health, the department of
20 inspections and appeals, and the department of human services
21 shall jointly analyze and make recommendations regarding
22 options for coordination between state agencies and private
23 entities to promote increased access to dementia-specific care
24 in both residential and home and community-based settings. The
25 analyses and recommendations shall address barriers to, gaps
26 in, and opportunities for increased access, the availability of
27 services in home and community-based settings as an alternative
28 to residential settings, and any changes in law necessary to
29 better address the needs of individuals with dementia and their
30 families. The departments shall submit a joint report of
31 findings and recommendations to the governor and the general
32 assembly by December 15, 2017.

33 DIVISION XXIII

34 OFFICE OF MINORITY AND MULTICULTURAL HEALTH — REPEAL

35 Sec. 98. Section 135.159, subsection 3, paragraph i, Code

1 2017, is amended to read as follows:

2 *i.* For children, coordinate with and integrate guidelines,
 3 data, and information from existing newborn and child health
 4 programs and entities, including but not limited to the healthy
 5 opportunities for parents to experience success — healthy
 6 families Iowa program, the early childhood Iowa initiative,
 7 the center for congenital and inherited disorders screening
 8 and health care programs, standards of care for pediatric
 9 health guidelines, ~~the office of minority and multicultural~~
 10 ~~health established in [section 135.12](#)~~, the oral health bureau
 11 established in [section 135.15](#), and other similar programs and
 12 services.

13 Sec. 99. REPEAL. Section 135.12, Code 2017, is repealed.

14 DIVISION XXIV

15 PRIOR YEAR APPROPRIATIONS AND OTHER PRIOR PROVISIONS

16 ADOPTION SUBSIDY PAYMENTS AND SERVICES

17 Sec. 100. 2015 Iowa Acts, chapter 137, section 139,
 18 subsection 1, as amended by 2016 Iowa Acts, chapter 1139,
 19 section 17, is amended by adding the following new paragraph:

20 NEW PARAGRAPH. c. Notwithstanding section 8.33,
 21 moneys corresponding to the state savings resulting from
 22 implementation of the federal Fostering Connections to Success
 23 and Increasing Adoptions Act of 2008, Pub. L. No. 110-351,
 24 and successor legislation, as determined in accordance with
 25 42 U.S.C. §673(a)(8), that remain unencumbered or unobligated
 26 at the close of the fiscal year, shall not revert to any fund
 27 but shall remain available for the purposes designated in this
 28 subsection until expended. The amount of such savings and any
 29 corresponding funds remaining at the close of the fiscal year
 30 shall be determined separately and any changes in either amount
 31 between fiscal years shall not result in an unfunded need.

32 DECATEGORIZATION

33 Sec. 101. DECATEGORIZATION CARRYOVER FUNDING — TRANSFER TO
 34 MEDICAID PROGRAM. Notwithstanding section 232.188, subsection
 35 5, paragraph “b”, any state appropriated moneys in the funding

1 pool that remained unencumbered or unobligated at the close
2 of the fiscal year beginning July 1, 2014, and were deemed
3 carryover funding to remain available for the two succeeding
4 fiscal years that still remain unencumbered or unobligated at
5 the close of the fiscal year beginning July 1, 2016, shall
6 not revert but shall be transferred to the medical assistance
7 program for the fiscal year beginning July 1, 2017.

8 Sec. 102. EFFECTIVE UPON ENACTMENT. This division of this
9 Act, being deemed of immediate importance, takes effect upon
10 enactment.

11 Sec. 103. RETROACTIVE APPLICABILITY. This division of this
12 Act applies retroactively to July 1, 2016.

13 DIVISION XXV

14 NONPARTICIPATING PROVIDER REIMBURSEMENT FUND AND IOWACARE
15 ACCOUNT — BALANCES — REVERSIONS

16 Sec. 104. NONPARTICIPATING PROVIDER REIMBURSEMENT FUND AND
17 IOWACARE ACCOUNT — AVAILABILITY — REVERSIONS.

18 Notwithstanding any provision of law to the contrary, for the
19 fiscal year beginning July 1, 2016, and ending June 30, 2017,
20 there is appropriated from the IowaCare account established in
21 section 249J.24, Code 2013, and the nonparticipating provider
22 reimbursement fund established in section 249J.24A, Code
23 2013, to the department of human services medical assistance
24 appropriation in this 2017 Act any unencumbered or unobligated
25 moneys from the account and fund to be used for the purposes of
26 the IowaCare account as provided in section 249J.24, Code 2013.
27 Notwithstanding section 8.33, moneys appropriated in this
28 section that remain unencumbered or unobligated at the close of
29 a fiscal year shall not revert but shall remain available for
30 expenditure for the purposes designated until expended.

31 Sec. 105. EFFECTIVE UPON ENACTMENT. This division of this
32 Act, being deemed of immediate importance, takes effect upon
33 enactment.

34 DIVISION XXVI

35 HOSPITAL HEALTH CARE ACCESS ASSESSMENT PROGRAM — REPEAL

1 Sec. 106. Section 249M.5, Code 2017, is amended to read as
2 follows:

3 **249M.5 Future repeal.**

4 This chapter is repealed July 1, ~~2017~~ 2019.

5 Sec. 107. EFFECTIVE UPON ENACTMENT. This division of this
6 Act, being deemed of immediate importance, takes effect upon
7 enactment.

8 DIVISION XXVII

9 CUSTODIAL CARE

10 Sec. 108. Section 249.12, Code 2017, is amended to read as
11 follows:

12 **249.12 Cost-related system.**

13 1. In order to assure that the necessary data is available
14 to aid the general assembly to determine appropriate funding
15 for the custodial care program, the department of human
16 services shall develop a cost-related system for financial
17 supplementation to individuals who need custodial care and who
18 have insufficient resources to purchase the care needed.

19 2. All privately operated licensed custodial facilities in
20 Iowa shall cooperate with the department of human services to
21 develop the cost-related plan. ~~After the plan is implemented,~~
22 ~~state supplemental funds shall not be used for the care of~~
23 ~~any individual in facilities that have not submitted cost~~
24 ~~statements to the department of human services.~~

25 3. Beginning July 1, 2017, privately operated licensed
26 custodial facilities in Iowa shall be reimbursed based on the
27 maximum per diem rates established by the general assembly
28 through the appropriations process.

29 DIVISION XXVIII

30 JUVENILE BEDS CAP

31 Sec. 109. Section 232.142, subsection 5, Code 2017, is
32 amended to read as follows:

33 5. The director shall approve annually all such homes
34 established and maintained under the provisions of this
35 chapter. A home shall not be approved unless it complies with

1 minimal rules and standards adopted by the director and has
2 been inspected by the department of inspections and appeals.
3 The statewide number of beds in the homes approved by the
4 director shall not exceed two hundred ~~sixty-two~~ seventy-two
5 beds beginning July 1, 2017.

6 DIVISION XXIX

7 TRANSFERS OF FUNDS BETWEEN DHS INSTITUTIONS

8 Sec. 110. Section 218.6, Code 2017, is amended to read as
9 follows:

10 **218.6 Transfer of appropriations made to institutions.**

11 Notwithstanding section 8.39, subsection 1, without the
12 prior written consent and approval of the governor and the
13 director of the department of management, the director of human
14 services may transfer funds between the appropriations made for
15 the ~~same type of institution~~ institutions, listed as follows:

- 16 1. The state resource centers.
- 17 2. The state mental health institutes.
- 18 3. The state ~~juvenile institutions consisting of the state~~
19 ~~training school and the Iowa juvenile home.~~
- 20 4. The civil commitment unit for sexual offenders.

21 DIVISION XXX

22 PELVIC EXAMS — PRIOR CONSENT

23 Sec. 111. NEW SECTION. **147.114 Prior informed consent**
24 **relative to pelvic examinations — patient under anesthesia or**
25 **unconscious — penalties.**

26 1. A person licensed or certified to practice a
27 profession, or a student undertaking a course of instruction
28 or participating in a clinical training or residency program
29 for a profession, shall not perform a pelvic examination on an
30 anesthetized or unconscious patient unless one of the following
31 conditions is met:

32 a. The patient or the patient's authorized representative
33 provides prior written informed consent to the pelvic
34 examination, and the pelvic examination is necessary for
35 preventive, diagnostic, or treatment purposes.

1 **b.** The patient or the patient's authorized representative
2 has provided prior written informed consent to a surgical
3 procedure or diagnostic examination to be performed on the
4 patient, and the performance of a pelvic examination is within
5 the scope of care ordered for that surgical procedure or
6 diagnostic examination.

7 **c.** The patient is unconscious and incapable of providing
8 prior informed consent, and the pelvic examination is necessary
9 for diagnostic or treatment purposes.

10 **d.** A court has ordered the performance of the pelvic
11 examination for the purposes of collection of evidence.

12 2. A person who violates this section is subject to the
13 penalty specified under section 147.86, and any professional
14 disciplinary provisions, as applicable.

15 DIVISION XXXI

16 NON-STATE GOVERNMENT-OWNED NURSING FACILITY UPPER PAYMENT LIMIT

17 ALTERNATIVE PAYMENT PROGRAM

18 Sec. 112. 2016 Iowa Acts, chapter 1139, section 81, is
19 amended by striking the section, and inserting in lieu thereof
20 the following:

21 SEC. 81. Section 249L.2, subsection 6, Code 2016, is amended
22 to read as follows:

23 6. "*Nursing facility*" means a licensed nursing facility as
24 defined in [section 135C.1](#) that is a freestanding facility or
25 a nursing facility operated by a hospital licensed pursuant
26 to [chapter 135B](#), but does not include a distinct-part skilled
27 nursing unit or a swing-bed unit operated by a hospital, or
28 a nursing facility owned by the state or federal government
29 or other governmental unit. "*Nursing facility*" includes a
30 non-state government-owned nursing facility if the nursing
31 facility participates in the non-state government-owned nursing
32 facility upper payment limit alternative payment program.

33 Sec. 113. 2016 Iowa Acts, chapter 1139, section 82, is
34 amended to read as follows:

35 SEC. 82. NON-STATE GOVERNMENT-OWNED NURSING FACILITY UPPER

1 PAYMENT LIMIT ~~SUPPLEMENTAL~~ ALTERNATIVE PAYMENT PROGRAM.

2 1. The department of human services shall submit, to the
 3 centers for Medicare and Medicaid services (CMS) of the United
 4 States department of health and human services no later than
 5 September 29, 2017, a Medicaid state plan amendment to allow
 6 qualifying non-state government-owned nursing facilities to
 7 ~~receive a supplemental~~ participate in an alternative payment
 8 program in accordance with the upper payment limit requirements
 9 pursuant to 42 C.F.R. §447.272. The ~~supplemental~~ alternative
 10 payment shall be ~~in addition to~~ the greater of the payment in
 11 accordance with the upper payment limit requirements pursuant
 12 to 42 C.F.R. §447.272 or the Medicaid fee-for-service per diem
 13 reimbursement rate or the per diem payment established for the
 14 nursing facility under a Medicaid managed care contract.

15 2. At a minimum, the Medicaid state plan amendment shall
 16 provide for all of the following:

17 a. A non-state governmental entity shall provide the state
 18 share of the difference between the expected ~~supplemental~~
 19 alternative payment and the Medicaid fee-for-service per diem
 20 reimbursement rate in the form of an intergovernmental transfer
 21 to the state.

22 b. The state shall claim federal matching funds and shall
 23 make ~~supplemental~~ alternative payments to eligible non-state
 24 governmental entities based on the ~~supplemental~~ alternative
 25 payment amount as calculated by the state for each nursing
 26 facility for which a non-state governmental entity owns the
 27 nursing facility's license. A managed care contractor shall
 28 not retain any portion of the ~~supplemental~~ alternative payment,
 29 but shall treat the ~~supplemental~~ difference between the
 30 expected alternative payment and the Medicaid fee-for-service
 31 per diem reimbursement rate as a ~~pass-through~~ component of
 32 the capitated payment calculation to the eligible non-state
 33 governmental entity.

34 c. The ~~supplemental~~ alternative payment program shall
 35 be budget neutral to the state. No general fund revenue

1 shall be expended under the program including for costs of
 2 administration. If payments under the program result in
 3 overpayment to a nursing facility, or if CMS disallows federal
 4 participation related to a nursing facility's receipt or
 5 use of ~~supplemental~~ alternative payments authorized under
 6 the program, the state may recoup an amount equivalent to
 7 the amount of ~~supplemental~~ alternative payments overpaid or
 8 disallowed. ~~Supplemental~~ Alternative payments shall be subject
 9 to any adjustment for payments made in error, including but not
 10 limited to adjustments made by state or federal law, and the
 11 state may recoup an amount equivalent to any such adjustment.

12 d. A nursing facility participating in the program shall
 13 notify the state of any changes in ownership that may affect
 14 the nursing facility's continued eligibility for the program
 15 within thirty days of any such change.

16 e. No portion of the ~~supplemental~~ alternative payment
 17 paid to a participating nursing facility may be used for
 18 contingent fees. Expenditures for development fees, legal
 19 fees, or consulting fees shall not exceed five percent of
 20 the ~~supplemental~~ alternative funds received, annually, and
 21 any such expenditures shall be reported to the department of
 22 human services, and included in the department's annual report
 23 pursuant to subsection 3.

24 f. The ~~supplemental~~ alternative payment paid to a
 25 participating nursing facility shall only be used as specified
 26 in state and federal law. ~~Supplemental~~ Alternative payments
 27 paid to a participating nursing facility shall only be used as
 28 follows:

29 (1) A portion of the amount received may be used for nursing
 30 facility quality improvement initiatives including but not
 31 limited to educational scholarships and nonmandatory training.
 32 Priority in the awarding of contracts for such training shall
 33 be for Iowa-based organizations.

34 (2) A portion of the amount received may be used for nursing
 35 facility remodeling or renovation. Priority in the awarding

1 of contracts for such remodeling or renovations shall be for
2 Iowa-based organizations and skilled laborers.

3 (3) A portion of the amount received may be used for health
4 information technology infrastructure and software. Priority
5 in the awarding of contracts for such health information
6 technology infrastructure and software shall be for Iowa-based
7 organizations.

8 (4) A portion of the amount received may be used for
9 endowments to offset costs associated with maintenance of
10 hospitals licensed under [chapter 135B](#) and nursing facilities
11 licensed under [chapter 135C](#).

12 g. A non-state governmental entity shall only be eligible
13 for ~~supplemental~~ alternative payments attributable to up to 10
14 percent of the potential non-state government-owned nursing
15 facilities licensed in the state.

16 3. Following receipt of approval and implementation of the
17 program, the department shall submit a report to the governor
18 and the general assembly, annually, on or before December 15,
19 regarding the program. The report shall include, at a minimum,
20 the name and location of participating non-state governmental
21 entities and the non-state government-owned nursing facilities
22 with which the non-state governmental entities have partnered
23 to participate in the program; the amount of the matching
24 funds provided by each non-state governmental entity; the
25 net ~~supplemental payment amount~~ difference between the
26 expected alternative payment and the Medicaid fee-for-service
27 per diem reimbursement rate received by each participating
28 non-governmental entity and non-state government-owned nursing
29 facility; and the amount expended for each of the specified
30 categories of approved expenditure.

31 4. The department of human services shall work
32 collaboratively with representatives of nursing facilities,
33 hospitals, and other affected stakeholders in adopting
34 administrative rules, and in implementing and administering
35 this program.

1 5. As used in this section:

2 a. "Non-state governmental entity" means a hospital
3 authority, hospital district, health care district, city, or
4 county.

5 b. "Non-state government-owned nursing facility" means a
6 nursing facility owned or operated by a non-state governmental
7 entity for which a non-state governmental entity holds
8 the nursing facility's license and is party to the nursing
9 facility's Medicaid contract.

10 Sec. 114. 2016 Iowa Acts, chapter 1139, section 84,
11 subsection 1, is amended to read as follows:

12 1. The section of this division of this Act directing the
13 department of human services to submit a Medicaid state plan
14 amendment to CMS no later than September 29, 2017, shall be
15 implemented as soon as possible following enactment, consistent
16 with all applicable federal requirements.

17 Sec. 115. EFFECTIVE UPON ENACTMENT. This division of this
18 Act, being deemed of immediate importance, takes effect upon
19 enactment.

20 Sec. 116. RETROACTIVE APPLICABILITY. This division of this
21 Act applies retroactively to May 27, 2016.

22 DIVISION XXXII

23 LEGISLATIVE INTERIM — OPIOID EPIDEMIC EVALUATION

24 Sec. 117. LEGISLATIVE INTERIM STUDY COMMITTEE — OPIOID
25 EPIDEMIC EVALUATION.

26 1. The legislative council is requested to establish an
27 interim study committee to comprehensively evaluate the state's
28 response to the opioid epidemic in the state.

29 2. The committee shall receive input from agencies and
30 entities including but not limited to all of the following:

31 a. Representatives of the professional licensing boards for
32 professionals authorized to prescribe controlled substances.

33 b. Representatives of public safety and public health
34 including but not limited to the office of the state medical
35 examiner, the division of criminal investigation of the

1 department of public safety, the department of corrections and
2 community-based corrections, law enforcement agencies, the
3 governor's office of drug control policy, and the department
4 of public health.

5 c. Representatives of the medical community and health
6 insurance payers including but not limited to the Iowa hospital
7 association, the Iowa medical society, the Iowa osteopathic
8 medical society, the Iowa pharmacy association, and America's
9 health insurance plans.

10 d. Consumers and representatives of consumers including but
11 not limited to the Iowa substance abuse information center, the
12 Iowa prescription abuse reduction task force, and addiction
13 treatment centers in the state.

14 3. The interim committee's evaluation shall include but is
15 not limited to a review of the protocols and practices relating
16 to the prescribing of opioid medications and the treatment
17 options available including medication-assisted treatment.

18 4. The interim committee shall submit a report, including
19 findings and recommendations, to the governor and the general
20 assembly by November 15, 2017.